



Daily Report

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Japan

Demand for Rice Import Decontrol To Be Rejected *OW1008083888 Tokyo KYODO in English 0813 GMT 10 Aug 88*

[Text] Tokyo, Aug. 10 KYODO—Japan will reject a U.S. request to liberalize its rice imports, Agriculture, Forestry and Fisheries Minister Takashi Sato said Wednesday.

Sato told a meeting of top-ranking government and Liberal Democratic Party (LDP) leaders held at the Diet (parliament) building that Japan will maintain its complete rice self-sufficiency system, as rice is the pillar of Japanese agriculture and (the government) has to consider the interests of the rice farmers.

His comments came at a time when the United States is expected to take up Japan's staple food control system at an international trade tribunal of the General Agreement on Tariffs and Trade (GATT), after both nations agreed to refrain from discussing the rice decontrol issue bilaterally.

Senior government and LDP officials attending the meeting included Finance Minister Kiichi Miyazawa, LDP Secretary General Shintaro Abe, LDP Policy Affairs Research Council Chairman Michio Watanabe and LDP Executive Council Chairman Masayoshi Ito.

The officials also endorsed a government plan to give subsidies to livestock breeders who are expected to be adversely affected by the planned scrapping of beef import quotas as stipulated under a recent Japan-U.S. beef and orange liberalization accord, officials said.

They agreed that a bill should be drawn up and submitted this month to the current special Diet session designed to prevent the lifting of import quotas from threatening the breeders' livelihoods, the sources said.

The planned bill would call for subsidies to be provided to make up for wide discrepancies between high domestic production costs and imports, which are expected to put downward pressure on domestic market prices.

The officials agreed that detailed fiscal measures should be introduced to support farmers who will be affected by the Japan-U.S. farm trade agreement to scrap import quotas or raise quotas on 12 categories of agricultural products, they said.

Funds will be set aside to finance some of these measures within the framework of the fiscal 1988 supplementary budget to be compiled later in the current fiscal year, which ends next March 31.

More legislation will be drafted later this month to change the scope of activities to be taken by the semigovernmental Livestock Industry Promotion Corp. That currently controls Japan's beef imports in line with the Japan-U.S. accord, they added.

Ministry Says Tokyo Cool to U.S. Rate Hike *OW1008121388 Tokyo KYODO in English 0947 GMT 10 Aug 88*

[Text] Tokyo, Aug. 10 KYODO—Tokyo market participants are reacting "coolly" to the U.S. official discount rate hike by the Federal Reserve Board [Fed] to 6.5 percent from 6.0 percent, a high-ranking Finance Ministry official said Wednesday.

The official, who requested anonymity, said he thinks the U.S. base rate rise will have little impact on stock, foreign exchange and bonds markets.

Referring to the yen's finish at 134.92 to the U.S. dollar on the Tokyo foreign exchange market, the official predicted no further decline in the value of the Japanese currency due to the Fed's move, which he said would contribute much to stabilizing commodity prices and countering inflation.

As for stock prices in Tokyo, he said it was "good news" that a record low drop in the closely-watched stock index did not come together with "massive selling pressure."

The official added that Japan's present stance in monetary policy of leaving short-term money rates as they are remains unchanged in spite of the U.S. discount rate hike, since the fundamentals of the Japanese economy are still excellent.

Finance Minister Comments

*OW1008024288 Tokyo KYODO in English 0200 GMT
10 Aug 88*

[Text] Tokyo, Aug. 10 KYODO—Finance Minister Kiichi Miyazawa said Wednesday he sees no need for Japan to change its monetary policy despite the overnight U.S. hike in the official discount rate.

Miyazawa told reporters there is no inflationary concern in Japan, adding that it is not necessary to review monetary policy as a whole.

The discount rate increase to 6.5 percent from 6 percent by the Federal Reserve Board was designed to bring it in line with prevailing short-term interest rates, he said.

The Fed action sent the U.S. dollar soaring against major foreign currencies. The dollar reached the 135 yen level in New York and Tokyo for the first time in nearly a month.

But Miyazawa played down the currency market swing, calling it "not erratic." The remark suggested that he does not think the Bank of Japan should step into the market, financial sources said.

Financiers Surprised at Move

*OW1008024488 Tokyo KYODO in English 0128 GMT
10 Aug 88*

[Text] Tokyo, Aug. 10 KYODO—The U.S. Federal Reserve Board's [Fed] hike of the official discount rate came as a surprise, but the move is "understandable" considering growing inflationary pressures in that country, Bank of Japan and banking sources said Wednesday.

The Fed Tuesday raised the discount rate from 6 percent to 6.5 percent for the first hike in 11 months.

The rate is the highest since March 1986, when the Fed set the rate at 7 percent. The discount rate is the interest rate charged on Fed loans to banks.

The Fed's move was "sudden" and "rather unexpected," but it is understandable that the U.S. central bank hiked the discount rate before next week's Republican convention rather than just before the general election in November, a Bank of Japan source said.

While maintaining its current monetary policy, Japan's central bank will closely monitor further U.S. moves, the source said.

Bank of Japan Governor Satoshi Sumita said in late June that there are no certain rules in raising or cutting the discount rate, hinting that Japan's discount rate will be raised if necessary, banking sources said.

An official at Japan's Finance Ministry said the Fed's discount rate hike is a "favorable" measure aimed at maintaining stable economic growth in the U.S.

The step was also "courageously" taken at a crucial time, such as during an election year, said the official, who requested anonymity.

He also said the move reflects the Fed's effort to tighten its monetary policy in view of the current market force in the U.S., where long-term interest rates have been rising for some time.

"Indeed, the Fed has been tightening its grip on credit since the start of this year in order to trim its huge trade deficit with other nations," he said.

The official, however, said the Fed move would not trigger similar moves by the central banks of other countries, suggesting the Bank of Japan will not change its monetary policy.

Meanwhile, banking sources in Tokyo forecast that the U.S. dollar would rise, prompting market players to buy the U.S. unit for the present. The sources, however, doubted that the impact of the discount rate hike would last long.

The dollar soared to the 135 yen level in Tokyo and New York following the Fed action.

They also feared another worldwide stock market crash could occur if the U.S. and West Germany continue to boost their interest rate levels.

In late June, the Deutsche Bundesbank, West Germany's central bank, raised the discount rate.

Rallies To Protest U.S. Aegis Warship Arrivals

*OW0908125988 Tokyo KYODO in English 1043 GMT
9 Aug 88*

[Text] Yokosuka, Kanagawa Pref., Aug. 9 KYODO—The 9,600-ton Aegis frigate Bunker Hill, the same class of ship as the Vincennes which downed an Iranian airliner in the Persian Gulf on July 3, is expected to enter the U.S. naval base here as early as the end of this month, naval sources said.

The Bunker Hill is equipped with two vertical launching systems for the Tomahawk cruise missile. The officials said it has succeeded in launching the missiles already.

Another Tomahawk equipped warship, the 7,810-ton destroyer Fife, will also be arriving at the port here. The Fife is equipped with one vertical launching system.

Local activist groups and peace movement organizations are planning to stage mass demonstrations and opposition rallies at the time the Aegis warships will enter the port.

Editorial Views Trilateral Committee Meeting

*OW0908112688 Naha RYUKYU SHIMPO in Japanese
9 Aug 88 Morning Edition p 5*

[Editorial: "No Sign of U.S. Military's Sincerity—Weakness of Nishime Prefectural Administration Exposed"]

[Text] The 13th Session of the Trilateral Liaison Committee [TLC] composed of the prefectural government, the U.S. forces in Okinawa, and the Naha Defense Facilities Administration Bureau was held on 8 August, after a void of about a year.

Although the prefecture's people understand the limitations of the powers of the TLC, they still pin much hope on its meetings because they represent a direct dialogue between the concerned parties. Such expectation can be seen from the fact that, whenever an accident occurs

during a U.S. military exercise or during a period such as the recent rush of military exercises, voices demanding the convening of the TLC can be heard among the people.

The recent TLC was held in view of demands made by the prefecture's people to discuss the moderation of the recent rush of military exercises, which seems to signal a radical change in the pattern of U.S. military exercises and training.

The results of the meeting were limited to: 1) Discontinuation of military training at the four dams in the north; 2) although more caution will be exercised during live shell firing exercises across Highway 104 and during parachute exercises, these are to take place as planned; and 3) efforts will be made to alleviate noise at the Kadena and Futenma airfields.

Frankly speaking, there has been no progress except for the discontinuation of exercises at the four dams in the north.

The people demanded a slowdown or stop to the intensification of military exercises and not simply that the U.S. military be acquainted with the Okinawa side's demands.

To the prefecture's people, the recent U.S. military exercises are at times intolerable. That is the reason why even the Okinawa Employers Association, which tolerates the U.S. military bases, passed a resolution protesting the dam exercises.

Undoubtedly, there is certain merit to discussions on problems arising from the bases.

However, the people's anxiety and misgivings cannot be mitigated simply by discontinuing training at the dams, which are the sources of their drinking water, and by considering the views of the majority of the people.

The fact that one cannot expect much from the TLC can be inferred from the circumstances of its formation. Thus, perhaps it can be said that there is no reason to be disappointed with the results of the recent TLC meeting. Yet, one cannot criticize people for expecting the solution of problems from a consultative organ established in the prefecture. The "rush of exercises," which is the source of damages caused by the bases, has led to many misgivings and much anxiety among the prefecture's people.

When the TLC was organized in 1979, the Nishime prefectural administration envisioned a "consultative organ which shall prevent damages caused by the bases." Before that, there had been no channel through which the voice of the prefecture's people could be directly communicated to the U.S. military. In that sense, the TLC represented a small progress. However, the TLC has no power aside from that. The statement announcing

the establishment of the TLC did not fail to stipulate that "the TLC deals with local problems; procedures relating to problems which should be handled by the Governments of Japan and the United States remain unchanged."

Thus, "delineations" were set for problems that the TLC can handle. Furthermore, its procedures require that problems to be discussed should first be taken up at the TLC executive committee. For instance, before the recent meeting, the proposal from the Okinawa side concerning the "observance of agreement" was rejected by the U.S. military.

It is common sense that the basis of an "agreement" is that one observes the terms that have been discussed and agreed upon. Yet, the U.S. military refuses to accept "observance," which is an absolutely important element of an agreement. This clearly amounts to none other but contempt of the TLC. This shows how very little commitment the U.S. forces in Okinawa can make to the prefecture's people.

At the time the TLC was formed, the attitude toward the TLC was that the ruling party supporting the Nishime administration had great expectations of it, while on the other hand, opposition parties such as the Socialist Party criticized it as "an organ accepting the bases." It was natural for opinions to become polarized because during the reformist administrations before Nishime, U.S. military bases had been "not accepted" but have become "accepted" from then on. Nine years after its establishment, there is at present very little indication of debate on the Japan-U.S. Security Treaty and even discussions on the meaning of the existence of the TLC have become rare. The TLC seems to have taken root as a consultative organ between the prefecture's people and the U.S. military. It appears that the relationship between the prefecture and the U.S. military has progressed in the manner Nishime had wanted it to.

When interviewed by the PACIFIC STARS AND STRIPES, representative of the U.S. military to the TLC and coordinating officer of the U.S. forces in Japan for the Okinawa area (four forces), Major General Norman Smith, answered "of course" to the question whether the TLC is effective as a channel of communication between the U.S. forces in Okinawa and the prefecture. He also said that military exercises are held "within the limits of the guidelines agreed upon by the Governments of the United States and Japan" and that in the future, "many more exercises will continue to be conducted."

There is no difference between Smith's and Nishime's basic thinking on the military bases. If we insist on finding a difference, perhaps it will only be in their understanding of "damages caused by the bases."

U.S. military exercises are intensifying in Okinawa. As for the reason for the intensification, Smith said that "the Marines need more exercises." He believes that it is

only natural to increase the number of exercises in Okinawa. Such a stand embodies the conviction that "the deployment of combat trained forces is not only in the interest of the U.S. people but also beneficial to the Japanese people."

What has become clear during the recent TLC meeting was that there are limits to the problem-solving role of the TLC, and that the problem of military bases should be brought to the negotiating table of the Governments of Japan and the United States.

Ministry on U.S. Disarmament Consultation

OW0908084088 Tokyo KYODO in English 0723 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Japan and the United States will hold consultations on arms control and disarmament in Tokyo Thursday, the Foreign Ministry said Tuesday.

Minoru Endo, director general of the Foreign Ministry's United Nations Bureau, will lead the Japanese side and William F. Burns, director of the Arms Control and Disarmament Agency, will head the American delegation.

Discussion at the meeting, the second of its kind, will center on the Strategic Arms Reduction Talks (START) between Washington and Moscow and cover a wide range of arms control and disarmament matters, according to the ministry.

Obuchi Stresses Role of Nuclear Arms Balance

OW0908093288 Tokyo KYODO in English 0709 GMT
9 Aug 88

[Text] Nagasaki, Aug. 9 KYODO—Chief Cabinet Secretary Keizo Obuchi called on Tuesday for recognizing the role of nuclear weapons in achieving the East-West balance of power, which maintains global peace.

Realistically speaking, the world is not going to get rid of all nuclear weapons at once, Obuchi said in a press conference at the world's second atom-bombed city.

Obuchi, the chief of staff and chief spokesman for Prime Minister Noboru Takeshita, met reporters at a hotel adjacent to the Nagasaki Peace Park.

Obuchi and Health and Welfare Minister Takao Fujimoto attended the annual peace ceremony marking the 43rd anniversary of the atomic bombing of the port city in western Kyushu.

The nuclear balance is a reality, but this does not mean approval of the situation, he said.

"It is no mistake that we desire the eventual abolition of all nuclear weapons."

Asked whether the government will lift sanctions against North Korea as called for by the Japan Socialist Party, Obuchi said that the government is studying it.

South Korea hopes to expand dialogue with China and the Soviet Union, while Japan and the United States are aiming to improve ties with North Korea, he noted, adding Japan is in the course of such a global trend, he said.

A package of sanctions, imposed last January, restricts contacts between Japanese and North Korean officials in third countries and bars Japanese Government employees from visiting North Korea.

The package also bans North Korean officials from entering Japan and impose strict checks on shore leave for crew when North Korean ships enter Japanese ports.

Japan imposed the sanctions on January 26 blaming North Korea for the loss of a South Korean airliner with 115 people aboard over the Andaman Sea November 29.

Obuchi also said the government will make utmost efforts through every possible channel to win the release of two Japanese seamen detained in North Korea for four years and eight months on espionage charges.

Isamu Beniko, 57, and Yoshio Kuriura, 56, were arrested in December 1983 when their freighter, Fujisan Maru No 18, visited North Korea two months after a North Korean soldier stowed away to Japan aboard the ship.

The two men were sentenced to 15 years at hard labor December 24.

Obuchi Says No Plans To Lift Anti-DPRK Sanctions

OW1008093188 Tokyo KYODO in English 0912 GMT
10 Aug 88

[Text] Tokyo, Aug. 10 KYODO—Chief Cabinet Secretary Keizo Obuchi said Wednesday the Japanese Government has no intention of lifting its sanctions against North Korea before the Seoul Olympics scheduled between September 17 and October 2.

Obuchi made the comment in a regular evening press conference. Earlier in the day, the wives of two Japanese seamen detained in North Korea met Obuchi and asked for government action to help secure the release of their husbands.

Japan had imposed a package of sanctions on North Korea in the hope that it will help ensure a successful staging of the games, the chief government spokesman said.

The government needs to ascertain the effect of the sanctions, which restrict contacts between Japanese and North Korean diplomats and ban North Korean officials from entering Japan, Obuchi said.

Obuchi said South Korea has been trying to improve relations with China and the Soviet Union and to help North Korea improve its relations with Japan and the United States since President No Tae-u announced a plan on July 7 to promote exchanges with North Korea.

He said Japan has been concentrating its efforts on improving relations with North Korea, which has no diplomatic ties with Japan, and that he hopes North Korea will respond to Japan's initiative.

However, a concrete process in the improvement of ties between Japan and North Korea has not yet begun, Obuchi said.

Japan imposed the sanctions on January 26 in blaming North Korea for the loss of a South Korean airliner with 115 people aboard last November.

The two Japanese seamen held captive in North Korea on espionage charges since December 1983 are Isamu Beniko, 57, skipper of the Japanese freighter Fujisan Maru No.18, and its chief engineer, Yoshio Kuriura, 56.

Their wives Mineko Beniko and Tamiko Kuriura met separately with Obuchi and Foreign Minister Sosuke Uno on Wednesday calling for some government measures to gain the release of their spouses.

The wives told reporters that both Obuchi and Uno assured them the government is considering a more flexible stance toward North Korea.

Sihanouk Meets Uno, Abe, Crown Prince Akihito

Training for Cambodians Discussed

OW0908073588 Tokyo KYODO in English 0552 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Japanese Foreign Minister Sosuke Uno told Kampuchea's Prince Norodom Sihanouk on Tuesday that Japan will invite promising followers of Sihanouk to Japan as trainees as part of its efforts to help rebuild the war-torn Indochinese country.

The 65-year-old former head of state of Kampuchea accepted Uno's offer, saying he would select the trainees himself, Japanese Foreign Ministry officials said in a briefing to reporters.

The training program would be designed to turn out medical doctors, teachers, engineers, and skilled workers, the officials said.

The foreign minister was quoted as saying that he will instruct the Japanese Embassy in Bangkok to arrange details of the invitation scheme with the prince's office there.

During a 2-hour session with Sihanouk at the Foreign Ministry, Uno reiterated Japan's continued support for Sihanouk at every stage of the peace process to seek an end to the 9-year-old conflict in Kampuchea.

Sihanouk, here on an 8-day visit, highly praised Japan for its readiness to play an active role in restoration work in Kampuchea, the officials said.

At the outset of the session, the prince thanked Japan for its support for his efforts to establish an "independent, neutral, and free Kampuchea," they said.

Uno also repeated the Japanese stance on the Kampuchean issue demanding complete withdrawal of Vietnamese forces from the country and opposing a comeback of the inhumane (Khmer Rouge) government.

Sihanouk asked for Japanese endorsement of his proposal to convene an international conference on Kampuchea comprising the five permanent members of the United Nations Security Council, the Association of Southeast Asian Nations (ASEAN), Japan, India, Australia, Vietnam, Laos, and the four warring Kampuchean factions.

The prince called for including Egypt and Yugoslavia if Vietnam and the Soviet Union ask that Cuba and Zimbabwe join the meeting.

Uno responded by saying that Japan will make all-out efforts to realize such a conference.

Touching on his idea of establishing an international control commission to guarantee the neutrality and security of Kampuchea, Sihanouk said he would support Japan if Tokyo wanted to join the commission.

According to the prince, the commission would consist of six nations from the nonaligned, Western, and communist camps.

After the meeting, Sihanouk told reporters that he does not expect much from the vice foreign ministerial talks on Kampuchea between the Soviet Union and China, which are due to be held later this month in Beijing, saying, "I know that there is still contradiction between Moscow and Beijing about Kampuchea."

Asked how far he had discussed with China about treatment of the Pol Pot faction, Sihanouk said, "I did not discuss such a point with Chinese leaders because I know that I am powerless vis-a-vis the determination of China to continue helping the Khmer Rouge I cannot believe I am optimistic about a possible change of the minds and strategy of China."

Sihanouk met with Prime Minister Noboru Takeshita Monday hours after he arrived on a 9-day official visit to Japan with his wife Norodom Monique Sihanouk.

Message From Kim Il-song Delivered

OW1008051588 Tokyo KYODO in English 0424 GMT
10 Aug 88

[Text] Tokyo, Aug. 10 KYODO—Kampuchea's Prince Norodom Sihanouk has conveyed a message from North Korean President Kim Il-song to Japan calling for better relations, Foreign Ministry officials said Wednesday.

Sihanouk, here since Monday on an 8-day visit, delivered Kim's verbal message to Foreign Minister Sosuke Uno during a dinner party given in the prince's honor at a Japanese restaurant Tuesday night, the officials said.

The foreign minister promised the 65-year-old former Kampuchean head of state that he would convey Kim's message to Prime Minister Noboru Takeshita, the officials said.

Kim, who Sihanouk met several days before coming to Japan, offered a friendly greeting or "salutation cordiale" to Japan. He seriously hopes to develop friendship with Japan, Sihanouk was quoted as saying.

North Korea hopes to establish what it calls a "democratic confederal republic of Koryo" where both communism in the North and capitalism in the South will coexist, Sihanouk quoted Kim as saying.

Kim, who has ruled the northern half of Korea since the division of the Korean Peninsula at the end of World War II, first proposed establishment of the confederal republic in 1973. Koryo is the name of a Korean dynasty in the 10th century.

International Conference Advocated

OW0908095588 Tokyo KYODO in English 0914 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Kampuchea's Prince Norodom Sihanouk met Liberal Democratic Party Secretary General Shintaro Abe Tuesday and suggested a possible convocation by the end of this year of an international conference on the Kampuchean conflict, LDP officials said.

Sihanouk told Abe that such an international conference can take place if Vietnam withdraws its troops from Kampuchea within this year, the officials said.

The 65-year-old former Kampuchean head of state has advocated convening an international conference comprising the five permanent members of the United Nations Security Council, the six-member Association of Southeast Asian Nations (ASEAN), Japan, India, Australia, Vietnam, Laos, and the four warring Kampuchean factions.

The conference is designed to discuss establishment of an international control commission to guarantee the neutrality and security of Kampuchea.

Following a two-hour session with Foreign Minister Sosuke Uno at the Foreign Ministry, Sihanouk talked over lunch with Abe at a Japanese restaurant in downtown Tokyo for some 90 minutes.

Abe, who served as foreign minister between 1982 and 1986, offered support for Sihanouk's peace efforts to bring about a political solution to the nine-year-old conflict in Kampuchea.

Sihanouk, who arrived in Tokyo on Monday on an eight-day visit, is scheduled to meet former Prime Minister Yasuhiro Nakasone on Wednesday.

Tea Hosted by Royal Couple

OW0908130988 Tokyo KYODO in English 1055 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Kampuchean Prince Norodom Sihanouk met Crown Prince Akihito and Princess Michiko at the Togu Palace Tuesday.

Sihanouk, accompanied by his wife and his son Prince Sihamoni, chatted with the Japanese royal couple over tea for 70 minutes, Imperial Household Agency officials said.

The Kampuchean visitors arrived in Tokyo Monday for an eight-day visit at the invitation of the Foreign Ministry.

It was the first meeting between the two princes since 1955, when Prince Sihanouk visited Tokyo.

The officials said Prince Sihanouk briefed Prince Akihito and Princess Michiko on the latest situation in Kampuchea, including refugees.

Prince Akihito said he hopes peace will be restored in Kampuchea as soon as possible, they said.

Takeshita Urges Work on New Loan Plan to PRC

OW0908083888 Tokyo KYODO in English 0745 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Prime Minister Noboru Takeshita urged the Finance Ministry [MOF] Tuesday to come up with a plan for a new yen loan for China before his planned visit to the country later this month, MOF officials said.

Takeshita made the remark when Vice Finance Minister Akira Nishigaki and International Finance Bureau Director Makoto Utsumi briefed the prime minister at his residence on current international financial trends.

During the 30-minute meeting Takeshita said the ministry should propose a plan for the new loan to be extended during 1990 and 1995 to China, the third such aid loan to that nation.

Nishigaki told Takeshita that the ministry will work on details of the loan with other ministries at an early date.

Touching on the yen-dollar exchange rate, Utsumi told Takeshita that "the current rate seems to be fairly stabilized, as if the two currencies are moving under the fixed rate."

Utsumi, however, noted that the Deutchemark and the yen are heading in opposite directions, with the mark falling against the U.S. dollar, while the yen is strengthening slightly.

As for Japan's 30-billion yen recycling plan pledged by former Prime Minister Yasuhiro Nakasone last year, Nishigaki said about 75 percent of it had been already been committed to recipient countries.

Peace Treaty Anniversary With PRC Marked

OW0908140088 Tokyo KYODO in English 1258 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Japan and China celebrated the upcoming 10th anniversary of their Treaty of Peace and Friendship here Tuesday.

The two-hour ceremony, honoring the five-article peace and amity pact signed August 12 in Beijing, was attended by Japanese political figures involved in Chinese affairs, in addition to representatives of China, the Soviet Union, the United States, South Korea, and an association of North Korean residents in Japan.

Chinese Ambassador Yang Zhenya, speaking in fluent Japanese, said that although there still remain problems to be resolved between his country and Japan, relations in all fields of endeavor have increased dramatically.

Yang was referring to Chinese displeasure on issues such as the regular visits by Japanese Government leaders to the Yasukuni Shrine, which includes convicted war criminals, and the revisionist portrayal in Japanese school textbooks of Japan's militarist actions in Asia prior to and during World War II.

Yang said Japanese Prime Minister Noboru Takeshita's upcoming visit to China, scheduled for the end of the month, will play a pivotal role in bringing Sino-Japanese relations to a new plateau.

The two countries normalized relations with a joint communique inked in 1972, in which Japan recognized China and broke relations with Taiwan. However, the treaty was not concluded until 1978.

The delay was due in part to disagreement over an antihegemony clause that China insisted be included, but which Japan feared would effectively turn the treaty into an agreement for an anti-Soviet alliance.

Japan encountered strong criticism from the Soviet Union after finally agreeing to include a clause that said neither party shall seek and both will oppose hegemony in the Asia-Pacific and other regions.

The Soviets at the time claimed the clause was aimed specifically at Moscow, but have since changed their position.

A senior official at the Soviet Embassy said last week that Moscow would welcome a further warming of Sino-Soviet relations based on the accord.

Tuesday's ceremony was also noteworthy as it was South Korea's second appearance at the annual event, and the first for a representative of the pro-Pyongyang General Association of Korean Residents in Japan, an organizer said.

Japan maintains no diplomatic relations with Pyongyang, the association being the closest thing North Korea has to a representative office in Japan.

Organizers said the North and South representatives were deliberately seated together, but the two did not appear to exchange words during the ceremonies.

They also said they had hoped to get the two to shake hands, as the South Korean ambassador did at the same event last year with the Chinese and Soviet ambassadors.

The appearance of the South Korean diplomat, First Secretary Kak Su-Shin, reflects the determined efforts Seoul is making to improve its relations with China, its former enemy that battled alongside North Korea during the Korean war, diplomatic analysts said.

The ambassadors of South Korea, the United States, and the Soviet Union, who were originally scheduled to appear, failed to make it to the event.

Foreign Minister To Be Sent to Iran, Iraq

OW0908132488 Tokyo KYODO in English 1102 GMT
9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—Prime Minister Noboru Takeshita told the Diet Tuesday he is ready to send Foreign Minister Sosuke Uno to both Iran and Iraq for talks on how Japan can help the two countries rehabilitate themselves from eight years of war.

Takeshita stopped short of saying when Uno might go to the two countries, only saying that he would send the foreign minister at the "proper" time.

A highly placed Foreign Ministry official said Monday that Uno is likely visit Iran and Iraq after a ceasefire is achieved.

The prime minister, responding to questions at a session of the House of Representatives Budget Committee, said Japan will also send civilian personnel to participate in a United Nations military observer group.

Takeshita termed it "as a matter of fact" to provide economic assistance to Iran and Iraq's post-war economic reconstruction efforts.

Uno Denies Report on Visit to Iran

OW1008121588 Tokyo KYODO in English 0935 GMT
10 Aug 88

[Text] Tokyo, Aug. 10 KYODO—Foreign Minister Sosuke Uno on Thursday denied a report from Tehran that he will visit Iran starting August 20 at the invitation of his Iranian counterpart Ali Akbar Velayati.

In an interview with reporters at the Foreign Ministry, Uno said Japan would first and foremost respect United Nations' peace efforts and that he had no intention of ignoring the world body's activities.

The foreign minister also said he will be unable to visit Iran at the reported date since he must attend a session of the House of Councillors Budget Committee.

Earlier in the day, representatives of ruling and opposition parties met and agreed to start Budget Committee discussions on August 22.

An Iranian Foreign Ministry spokesman was reported Tuesday to have said that Uno will visit Tehran on August 20 but that details of his itinerary remain to be decided.

Uno is currently scheduled to leave August 15 for a visit to Mexico and return to Tokyo on August 20, the day U.N. Secretary General Javier Perez de Cuellar designated as the beginning of a ceasefire in the eight-year-old Iran-Iraq war.

A highly placed Foreign Ministry official said on Monday that Uno is likely to visit both Iran and Iraq after a ceasefire is achieved.

Prime Minister Noboru Takeshita told the Diet on Tuesday that he is considering sending Uno to Iran and Iraq at an appropriate time for talks on how Japan can help the two countries rehabilitate from eight years of war.

Bank Expected To Resume 'Untied' Loans to Brazil OW0908094388 Tokyo KYODO in English 0649 GMT 9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—The Export-Import Bank of Japan is expected to resume untied loans to Brazil as early as this fall to help finance infrastructure projects in the debt-ridden country, government officials said Tuesday.

The Japanese move is in response to a request by Brazilian Finance Minister Mailson Pereira de Nobrega made to his Japanese counterpart Kiichi Miyazawa when the former visited Japan in early July, the officials said.

The planned loans, the first in three years, followed an agreement between Brazil and its creditors to reschedule repayment of part of its official debt of some 5 billion dollars, the officials said.

The Brazilian Government is urging Japan to extend fresh loans up to some 5.5 Billion dollars in addition to Brazil's accord on a debt-rescheduling plan made with the Paris Club of 13 industrial nations, the officials said.

The untied loans provided by the Ex-Im Bank are part of Japan's international commitment made last year by then Prime Minister Yasuhiro Nakasone to recycle 30 billion dollars worth of funds to developing nations, the officials added.

Workers Urged To Join Anti-Apartheid Campaign OW0908131188 Tokyo KYODO in English 1052 GMT 9 Aug 88

[Text] Tokyo, Aug. 9 KYODO—South African labor leader Joseph Plaatjies urged Japanese workers Tuesday to put more pressure on the government and business corporations to impose stricter economic sanctions on South Africa.

Speaking at a meeting with 30 representatives from member unions of Japan's largest labor organization Rengo, Plaatjies urged members to join the international anti-apartheid campaign.

The 9.4-member Japanese Private Sector Trade Union Confederation (Rengo) arranged the meeting at its head office here with Plaatjies, cooperative coordinator of South Africa's second-largest labor group, the 430,000-member National Council of Trade Unions (NACTU).

If Japan takes stricter economic sanctions, it would be "catastrophic" for South African workers, whom he said are heavily dependent on imports of Japanese electric appliances, cars and other consumer products, he said.

Plaatjies, currently on a five-day visit through Thursday as a guest of Rengo, said, however, South African workers are ready to accept such sanctions, which he said will eventually help topple the present government in Pretoria.

"The workers who have been suffering from an oppressive and inhumane system know how to survive," he said.

Japan bans exports of computers to the military and police of South Africa and also bans imports of the country's iron and steel.

Japan was South Africa's largest trading partner in 1987 with a total trading volume of 4.27 billion dollars, or 620 billion yen, up 19 percent in dollar terms and 2 percent in yen terms.

Plaatjies told the Japanese union representatives that the South African Government declared the state of emergency on June 9 for the third time this year, limiting workers' activities to purely labor union affairs.

Plaatjies said proposed labor relations amendment legislation would seriously infringe on the right to strike and other basic labor rights if enacted.

Plaatjies urged Japanese workers to increase solidarity with their South African counterparts to promote their anti-apartheid struggle.

Plaatjies had meetings with ranking officials from the Foreign Affairs and Labor Ministries earlier in the day and briefed them about the present labor movement and apartheid policy in his country.

Briefs

Aid to Micronesia

Tokyo, Aug. 8 KYODO—Japan will extend up to 100 million yen in grant-in-aid to Micronesia to help the United States trust territory's fishing industry, the Foreign Ministry said Monday. The aid will be used to purchase fishing equipment such as fishing boats and ice boxes. The two governments exchanged diplomatic documents on the aid Monday in Agana, Guam, the ministry said. The two governments also exchanged documents on dispatch of members of the Japan Overseas Cooperation Volunteers Group to the region, according to the ministry. [Text] [OW0808044388 Tokyo KYODO in English 0310 GMT 8 Aug 88]

Mongolia

Sodnom Attends Banking, Economic Discussion
OW1008081788 Ulaanbaatar MONTSAME in Russian
1330 GMT 5 Aug 88

[From the Press Review]

[Text] Ulaanbaatar, 5 Aug (MONTSAME)—"UNEN" prominently carries a report on a round-table discussion of the tasks of financial and banking organizations in the course of the implementation of the Law on State Enterprises and of economic rejuvenation. Economists of the Ministry of Finance, the Administration of the State Bank, state and regional banking organizations, and a number of industrial and economic organizations in the capital took part in the discussion. D. Sodnom, chairman of the MPR Council of Ministers, and G. Dzinamyadar, deputy chief of an MPRP Central Committee department took part in the discussion.

Initial Results of Food Program Examined
OW1008041088 Ulaanbaatar MONTSAME in English
1710 GMT 9 Aug 88

[Text] Ulaanbaatar, August 9 (MONTSAME)— The food programme is being realized for the third year. An increase in agricultural production is the fundamental basis of the target-oriented programme of developing agriculture and improving the population's food supply.

Considerable achievements were gained during these 3 years. The agricultural production grew up in 1986 and 1987 by 14 percent as against the previous 5 years. Per capita meat and meat products, milk and dairy products, potatoes and vegetables increased by 1.8, 7.5, 8.0, and 10.6 percent respectively in 1987 compared with 1986.

The realization of the large-scale food programme demanded the development of new directions in animal husbandry and private subsidiary farms as well as the increase in private livestock population. The programme sets forth a task of meeting own needs at the expense of local production. Pig-breeding and poultry farming, comparatively new branches in the country's of animal husbandry, are developing successfully. The head of hens and pigs went up by 13-50 percent and the egg production—by 20 percent. The number of organisations, enterprises, and families, engaged in subsidiary farming, increased in 1987 by 20 percent and the head of their animals—by 60 percent. Last year, these subsidiary farms gave to the state 40 percent of pork, 2.8 percent of eggs, and 6.9 percent of potatoes and vegetables.

Food markets have been opened in the capital city, other towns and aimag, [word indistinct] centres to realize the products of subsidiary farming, which yielded incomes worth of about a million tugriks.

North Korea

Student March Squad Arrives in Pyongyang

SK1008045988 *Pyongyang KCNA in English*
0448 GMT 10 Aug 88

[Text] Pyongyang August 10 (KCNA)—The grand national cross-country march squad of students which had left Mt. Paektu arrived in the capital city of Pyongyang on the evening of August 9.

Pyongyang Railway Station was enveloped in a warm welcome atmosphere for the members of the squad who made the grand march from Mt. Paektu.

They were warmly greeted at the railway station by leading officials of Pyongyang Municipal Party, administrative and economic organs and the League of Socialist Working Youth, and university presidents and rectors, functionaries of student committees and the LSWY, teachers and students of all universities, builders, workers of factories and enterprises in Pyongyang.

The squad was warmly welcomed by millions of students and people on its 800 kilometre long route to the capital through Hyesan, Kilju, Hamhung, Kwon and Pyongsong.

The welcoming crowd gave to the members of the squad letters addressed to the South Korean students containing their ardent desire for reunification, their hearts rushing to the South.

Wherever the train stopped students and people threw five-color tapes and waved bunches of flowers, warmly welcoming the members of our squad who were running with the desire to make a breakthrough for national reconciliation and national reunification.

The historic grand national cross-country march of students to Panmunjom continues.

Papers Denounce Attempts To Block Student March

SK0908101188 *Pyongyang KCNA in English*
1000 GMT 9 Aug 88

[Text] Pyongyang August 9 (KCNA)—Papers here today denounce the South Korean puppets for trying hard to block the grand march of students for reunification.

The puppet police headquarters issued a "press statement of warning" on August 6 in connection with the August 15 student talks, blating that they would "strictly cope with them" by invoking government power. Accordingly, the puppet police will be put in a "maximum and sub-maximum emergency duty system" from August 10. And they decided to "totally block" citizens meetings and other mass rallies scheduled to be

held in major cities of South Korea as part of the grand cross-country march, regarding them as "illegal" ones, and prevent students from coming out of the campus from the 14th.

This shows how desperately the No Tae-u group is trying to block the August 15 talks and grand reunification march of students, says a signed commentary of NODONG SINMUN, adding:

How can it be regarded as an illegal act and a crime to stand in the van in solving the question of reunification which the fellow countrymen eagerly desire.

If the South Korean authorities are truly desirous of dialogue and reunification and interested in exchange, they must discard their anti-dialogue, anti-reunification stand, stop suppression of students in their righteous reunification movement for national salvation and renounce the operation for blocking their August 15 grand reunification march.

The South Korean students, aware that the struggle leads to a meeting and success in talks at Panmunjom and to reunification, should valiantly advance, breaking through the blockade of bayonets, rallied as one under the banner of the August 15 grand reunification march.

The South Korean people of all strata should be active protector and helper of patriotic students in their struggle for reunification and national salvation.

A signed commentary of MINJU CHOSON stresses that unshakable is the will of the North and South students to make a breakthrough in the barrier of the division and nothing can break it.

NODONG SINMUN Comment

SK1008093688 *Pyongyang Domestic Service in Korean*
0008 GMT 9 Aug 88

[NODONG SINMUN 9 August commentary: "Guns and Bayonets Wielded Again To Block It at the Source"]

[Text] As it did against the 10 June talks, the South Korean ruling bunch is making a desperate attempt to block the students' great cross-country reunification march. On 6 August, the puppet national police headquarters, in a warning statement in connection with the 15 August student talks, threatened to sternly deal with them by mobilizing the power of public authority. Accordingly, the puppet police decided to enter Class B and Class A emergency duty postures on 7 August, to block at the source the mass rallies to be held in major cities of South Korea as part of the great cross-country march as illegal meetings, and to thoroughly block the students from going out their school gates beginning on 14 August.

This means that the No Tae-u ring is again wielding bayonets to block at the source the students' 15 August talks and their great reunification march, challenging the people's aspirations and yearning for independent and peaceful reunification. The puppets' operation to block them at the source has already been put into action. The puppets obstructed with a complete police blockade the national meeting of about 1,000 students belonging to the National Confederation of University Student Representatives to send-off the vanguard for reunification that was supposed to be held at the Korea University on 7 August. The puppets made the excuse that they did so because the students' 15 August talks and the great cross-country march result from ignorance of the reality of division, create social confusion and Olympic insecurity, and do not serve to improve North-South relations. This, however, is a absurd sophism and it is nothing but an ignoble excuse to justify their brutal wielding of bayonets.

The students' great 15 August reunification march is a manifestation of the patriotic aspirations of the youths of the new generation to demonstrate to the world that our land and our nation in the North and the South are one land and one nation that can neither be divided in two or allow people to live displaced from each other and to open a new turning point for reconciliation, unity, and national reunification—a festival that all the nation in the North and the South should greet as a joint festive event for the nation.

How can it be a crime and an illegal act for the students to wish to take the lead in solving the problem of reunification, for which the nation has been ardently yearning? Those who are committing illegal acts and unpardonable crimes for the nation are the No Tae-u ring themselves. It is the No Tae-u ring that ignores the reality of the continuing tragedy of national division and pursuing perpetual division by means of cross contacts and cross recognition in collusion with the U.S. imperialists. It is the No Tae-u ring that brings about social confusion and Olympic insecurity by maneuvers to prolong the pro-U.S. military dictatorship and the unilateral hosting of the Olympics. It is the No Tae-u ring that leads the North-South relations down the road of confrontation and aggravation of tension by stepping up anticommunist confrontation and war maneuvers.

Their attitude toward the students' great 15 August march is a test to determine whether they want unity and reunification or if they seek confrontation and division. Therefore, the maneuvers of the South Korean ruling bunch that has closed the crossing gate for the student talks and the great cross-country march with guns and bayonets are aimed at blocking the contacts and dialogue between fellow countrymen of the North and the South and at fixing the present state of division and clearly shows that they do not have the slightest desire for national reconciliation and unity and national reunification and that the dialogue, reunification, exchanges, and trade that they mention are all false and nothing but

deceptive propaganda. If the South Korean persons in authority truly desire dialogue and reunification and are interested in exchange, they should abandon the attitude of negating dialogue and reunification, stop maneuvers to suppress the students' just movement for reunification for national salvation, and stop operations to block their great 15 August reunification march.

The South Korean reality in which the guns and bayonets of military fascism are rampant demands that the struggle against the antinational military fascist clique, which is engaged in treachery and division, be more vigorously waged. The South Korean students should be aware that success in the Panmunjom meeting and talks and reunification lies along the road of struggle, firmly unite themselves firmly under the banner of the great 15 August reunification march, and daringly advance, breaking through the blockade of guns and bayonets. The South Korean people of broad strata should become active protectors and supporters of the patriotic students who have set off down the road of reunification for national salvation.

Firm is the will of the South Korean students who are determined to break the wall of division with the great reunification march. If the No Tae-u ring acts rashly and repeats the same savage acts they committed against the 10 June talks, it will not be able to escape the stern trial of the nation.

U.S. Army Accused of Violating Human Rights
SK0908104288 Pyongyang KCNA in English
1028 GMT 9 Aug 88

[Text] Pyongyang August 9 (KCNA)—It was recently revealed that "search corps" of the U.S. imperialist aggression troops occupying South Korea have harshly violated human rights by installing automatic pursuit detectors in every working place of South Korean workers and watching and controlling their movements, according to a report.

In order to watch and control every move of the South Korean workers hired at the U.S. Army Far-East construction engineer unit, the "search corps" attached such detectors with bugging devices even to trucks used by the workers.

They do not hesitate to frisk the bodies of hired workers and search the trucks, treating them like prisoners.

In this connection, the Taegu branch of the labour union, an organisation of the workers hired at the units of the U.S. imperialist aggression forces occupying South Korea, issued a letter of protest condemning the acts of the "search corps" of U.S. forces as a violation of human rights and strongly demanding them to openly apologize.

CPRF Says U.S. Soldiers Commit Assault

SK1008043988 *Pyongyang KCNA in English*
0428 GMT 10 Aug 88

[Text] Pyongyang August 10 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland issued its Information No. 496 denouncing seven U.S. imperialist aggression army soldiers belonging to the battleship "New Jersey" of the U.S. Navy which anchored at Incheon Port on August 1 under the pretext of "Olympic safety" for collectively assaulting and wounding Kim Kwang-sok and two other employees at a restaurant in Itaewon-dong, Seoul, on the night of August 3.

The U.S. imperialist aggression Army soldiers' group assault on the South Koreans reveals the brigandish nature of the Yankees as colonial rulers. This is an intolerable insult to the South Korean people, the information says, and notes:

Now the No Tae-u group, far from harshly punishing the U.S. Army criminals who assaulted the defenceless people, is scheming to hush up the case by handing the criminals over to the military police of the U.S. imperialist aggression army.

This is a treacherous act which can be done only by such despicable traitors as the No Tae-u group which is trying to prolong its despicable remaining days by currying favour with the U.S. imperialist master.

U.S. Said To Be Working To Strengthen Japan

SK1008050388 *Pyongyang KCNA in English*
0452 GMT 10 Aug 88

[Text] Pyongyang August 10 (KCNA)—NODONG SINMUN today accuses the U.S. imperialists of working hard to use Japan as a shock-brigade in a war of aggression by building her up into a military power and increasing her war capacity.

The U.S. House armed services subcommittee on "defense" sharing in a "mid-term report" demanded Japan to increase defence spendings and "recommended" her to possess aircraft carriers. The U.S. Senate decided to sell Japan the "Aegis" system equipped with sophisticated radar.

The paper says in a signed commentary:

The U.S. ruling circles ordered another country to do this or that in disregard of its Constitution. This high-handed behavior is an insult to the national dignity of the Japanese people desirous of peace and a flagrant challenge to public opinion at home and abroad on the lookout for the conversion of Japan into a military power.

The unscrupulous schemes of the U.S. ruling circles to step up the rearmament of Japanese militarism emanated from their consistent policy of executing their Asian strategy by using Japanese militarism as a shock-force.

The U.S. imperialists at present are trying to unleash another war of aggression in Korea and exploit the military potentials of Japan as a major striking force here.

It is to cope with a war of aggression they intend to unleash in Korea, first of all, that the U.S. ruling circles encouraged the Japanese reactionaries to possess aircraft carriers and hastily decided to sell the "Aegis" system to Japan.

If the "Self-Defence Forces" of Japan were to introduce the "Aegis" system and possess aircraft carriers, they would be capable of carrying out any military operation in any part of the world, to say nothing of Asia. It would be a very dangerous development of the situation for peace in Asia and the world.

Meeting of Nonaligned Countries Closes

SK0808155888 *Pyongyang KCNA in English*
1541 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—The 8th meeting of the coordinating countries of the NAM [Non-aligned Movement] in the field of standardization, metrology and quality control which opened in Pyongyang on August 2 closed on August 8.

The meeting of the coordinating countries was preceded by meetings of functional groups and a seminar on the examination of measuring instruments and quality certification.

The meetings of functional groups discussed problems of information in the field of standardization, metrology and quality control and quality certification [SMQC] and international examination of measuring instruments using national primary standards and standard measuring instruments.

Made public at the seminar were the results of researches for solving important problems practically arising in the field of standardization, metrology and quality control in the non-aligned and developing countries and theoretical problems cropping up in further developing scientific and technical work in this field.

The meeting of the coordinating countries deliberated problems raised at the meetings of functional groups and the seminar and examined the implementation of the recommendations of the 7th meeting of the coordinating countries of the NAM in the field of the SMQC and the third meeting of experts of the non-aligned and developing countries in the field of the SMQC.

The meeting also discussed the date and venue of the 9th meeting of the coordinating countries of the NAM in the field of the SMQC and the 4th meeting of the experts in the non-aligned and developing countries in the field of SMQC.

A final report of the meeting was adopted.

The meeting marked an important milestone in developing cooperation and exchange among the non-aligned and developing countries in the field of the standardization, metrology and quality control and in ensuring unity of action.

Opening, Closing Events of Youth Games Set
SK0808103588 Pyongyang KCNA in English
1013 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—Designs of the opening and closing functions of the 13th World Festival of Youth and Students scheduled in Pyongyang, the capital of the Democratic People's Republic of Korea, have been completed.

The great leader President Kim Il-song has taught:

"Our young and other people are attaching great importance to the 13th World Festival of Youth and Students which will demonstrate the united strength of the world youth, and are making every effort to ensure that its functions will be excellent."

President Kim Il-song has given wise guidance in the preparations of the 13th World Festival of Youth and Students, the first of its kind in Asia, so that it may be held as a grand festival of friendship and unity of the youth and students from five continents.

Dear Comrade Kim Chong-il, attaching great importance to the upcoming festival, has guided the preparations for the festival so that it may be held in conformity with the purpose and desire of the world youth and students.

He paid a deep attention to the opening and closing functions which will hold an important place in the Pyongyang festival, and indicated the direction and ways of drafting and completing excellent designs for them, first of all.

He formed a powerful creative group with competent designers and artists, examined the designs on several occasions and gave an energetic guidance for their successful completion.

The designs of the opening function show the warm heart of the Korean people enthusiastically welcoming the delegates and guests to the festival from various countries, joy and emotion at their meeting and colorful festive scenes. Also unfolded are scenes accentuating the

role of the youth and students, the helmsmen of the era and the masters of the future, in the struggle for safeguarding world peace and security against imperialism and colonialism.

The designs of the closing function consist of colorful items such as traditional folk dances of the Korean people, and music, dances and acrobatic numbers catering to the contemporary sense of beauty.

While beautiful natural sceneries of Korea including Mt. Kumgang spread on the background, dancers in national costumes of Korea and different countries of the world will dance a graceful festive circle dance.

The background stand, the floor columns of rhythmic movements, bands, and multifarious decorations and devices are harmoniously arranged in the designs to adorn the functions wonderfully.

The opening and closing functions of the 13th Festival of Youth and Students will take place in the Rungrado Stadium.

The construction of the stadium with 150,000 seats where the 13th festival torch will flare up is going on in the final stage.

LSWY Resolved To Spur Preparations
SK0808154788 Pyongyang KCNA in English
1537 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—Officials of the League of Socialist Working Youth [LSWY] in Pyongyang held a meeting on August 7 and resolved to energetically accelerate the preparations for the 13th World Festival of Youth and Students as intended by the party.

The meeting noted that the great leader President Kim Il-song and our party, paying deep attention to the Pyongyang festival, are giving wise guidance in the preparations for the festival so that it may be successfully held in accordance with the idea of anti-imperialist solidarity, peace and friendship.

It stressed that dear Comrade Kim Chong-il indicated the direction and ways of making the preparations for the festival on the highest level, keeping alive the features of the Pyongyang festival, while reflecting the desire and idea of the youth of all circles and students on the five continents of the world.

It reviewed the achievements made in the preparations for the festival and called for stepping up the preparations more dynamically with high pride and sense of responsibility as the youth of the country hosting the festival.

The meeting pointed to honorable tasks for completing the construction of main objects in Pyongyang municipality including Kwangbok Street in a short time, building up the city more beautifully on modern lines and laying out more parks and recreation grounds.

Costa Rica Supports Festival

SK0908045988 Pyongyang KCNA in English
0427 GMT 9 Aug 88

[Text] Pyongyang August 9 (KCNA)—Public organizations of Costa Rica expressed full support to the 13th World Festival of Youth and Students to be held in Pyongyang.

In a recent letter to the League of Socialist Working Youth of Korea the People's Youth Union of Costa Rica warmly hailed the holding of the 13th World Festival of Youth and Students in the Democratic People's Republic of Korea where respected President Kim Il-song is and noted that it is a great glory for the Costa Rican youth and students to participate in the festival.

The union in its another letter to the Secretariat of the World Federation of Democratic Youth said that it is indeed of great significance to hold the 13th World Festival of Youth and Students in the DPRK.

The letter stressed that the friendship and solidarity between Costa Rica and Korea would become deeper and mutual understanding and cooperation also improve through the festival.

The Costa Rican National Preparatory Committee for the 13th World Festival of Youth and Students in its appeal emphasized that the world festival of youth and students to be held in Pyongyang, the capital of the DPRK, is a grand international meeting of world youth and students for anti-imperialist solidarity, peace and friendship and called upon broad sections of youth and students to actively cooperate in the work of the national preparatory committee.

KCNA Delegation Departs for USSR, Hungary, GDR
SK0808103888 Pyongyang KCNA in English
1021 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—A delegation of the Korean Central News Agency headed by its Deputy General Director Hong Hyon-chong left Pyongyang on August 8 by air to visit the USSR, Hungary and the GDR. It was seen off at the airport by its Deputy General Director Pak Hyon-kyu.

Mongolian Trade Delegation Pays Official Visit

Meets With Vice Premier Hong

SK0608105888 Pyongyang KCNA in English
1037 GMT 6 Aug 88

[Text] Pyongyang August 6 (KCNA)—Vice-Premier Hong Song-nam met and had a conversation in a friendly atmosphere with a Mongolian government trade delegation headed by Jamsrangiyn Dulmaa, first deputy minister of foreign economic relations and supply of the Mongolian People's Republic, on August 6 at the Mansudae Assembly Hall.

Present on the occasion were Minister of Foreign Trade Choe Chong-kun and charge d'affaires ad interim of the Mongolian Embassy in Pyongyang Dashdorjiyn Jamiyandorj.

1989 Commodities Protocol Signed

SK0608110488 Pyongyang KCNA in English
1038 GMT 6 Aug 88

[Text] Pyongyang August 6 (KCNA)—A protocol on mutual delivery of commodities and payments for 1989 between the governments of the Democratic People's Republic of Korea and the Mongolian People's Republic was signed on August 6 at the Mansudae Assembly Hall.

It was signed by minister of Foreign Trade of Korea Choe Chong-kun and First Deputy Minister of Foreign Economic Relations and Supply of Mongolia Jamsrangiyn Dulmaa.

Officials, Papers Mark Singapore's National Day

Kim Il-song Greets President

SK0808062588 Pyongyang KCNA in English
0617 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on August 6 sent a message of greetings to Wee Kim Wee, president of the Republic of Singapore, on the occasion of the national day of his country.

The message sincerely wishes him and his people great success in their work for the prosperity of the country.

Chon Yon-ok Attends Event

SK0808101888 Pyongyang KCNA in English
1008 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—A photo exhibition was held today at the Chollima House of Culture on the occasion of the national day of Singapore. Attending there were Chon Yon-ok, vice-chairman of the Committee for Cultural Relations with Foreign Countries and vice-chairman of the Korea-Singapore Friendship Association, and other officials concerned and working people in the city.

They saw photographs of Singapore on display.

Papers Celebrate Independence Day

SK0908103288 *Pyongyang KCNA in English*
1021 GMT 9 Aug 88

[Text] Pyongyang August 9 (KCNA)—Papers here today carry signed articles on the occasion of the independence day of Singapore. NODONG SINMUN says that the independence of Singapore on August 9, 1965, opened a broad avenue for the people of Singapore to build a new life, and goes on: Singapore develops her relations with its neighbouring countries as a member state of "ASEAN." Singapore established diplomatic relations at ambassadorial level with the Democratic People's Republic of Korea on November 8, 1975, and has developed the friendly relations. The Korean people believe that the friendly relations between the two peoples will develop favourably in the future in the ideas of independence, friendship and peace. MINJU CHOSON sincerely wishes the people of Singapore greater success in their endeavours for the prosperity of the country.

Yi Kun-mo, Yang Hyong-sop Greet Thai Leaders

SK0808053088 *Pyongyang KCNA in English*
0521 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—Premier of the Administration Council Yi Kun-mo sent message of greetings to Chatchai Chunhawan upon his appointment as prime minister of the Kingdom of Thailand.

Expressing the belief that the friendly and cooperative relations between the two countries will grow stronger and develop in the future, the message wished him great success in his responsible work for the country's progress and prosperity.

Yang Hyong-sop, chairman of the Standing Committee of the Supreme People's Assembly, sent a message of greetings to Pancha Kesonthong upon his election as speaker of the House of Representatives of the Kingdom of Thailand.

Kim Il-song Greets SRV Leader on Birthday

SK0708052288 *Pyongyang Domestic Service in Korean*
1200 GMT 6 Aug 88

[Message of congratulations from President Kim Il-song to Vo Chi Cong, chairman of the Council of State of the SRV, on the occasion of his 75th birthday]

[Text] To Hanoi, Comrade Vo Chi Cong, chairman of the Council of State of the SRV:

I extend my congratulations to you on your 75th birthday.

Availing myself of this opportunity, I wish you great success in your responsible work for national prosperity and, at the same, wish you good health.

[Signed] Kim Il-song, president of the DPRK

[Dated] 6 August 1988, Pyongyang

Official Departs, PRC Party Group Arrives 6 August

SK0608105288 *Pyongyang KCNA in English*
1035 GMT 6 AUG 88

[Text] Pyongyang August 6 (KCNA)—A Korean state archives delegation led by its Director Han Yul-mo left here today for France.

A party workers' vacationing group of the Communist Party of China headed by Wang Shoudao, member of the Standing Committee of the Central Advisory Commission of the CPC, and Tunisian Delegate for the Study of the Chuche Idea Youssef Marouani, director of Normal College of Sousse, Tunisia, arrived here Friday.

Meetings Mark Liberation Anniversary of Romania

SK0908105988 *Pyongyang KCNA in English*
1051 GMT 9 Aug 88

[Text] Pyongyang August 9 (KCNA)—A meeting took place today on the Korea-Romania Friendship Sambong Cooperative Farm on the occasion of the 44th anniversary of the victory in the anti-imperialist, anti-fascist, socio-national liberation revolution in Romania.

Invited to the meeting attended by personages concerned and the farmers were Nicolae Girba, ambassador of the Socialist Republic of Romania to Korea, and his embassy officials.

A similar meeting was held Monday at the unit of the Korean People's Army to which Comrade Kim Song-nok belongs.

Speeches were made at the meetings.

Vacationing Polish Party Group Departs

SK0608224888 *Pyongyang KCNA in English*
2216 GMT 6 Aug 88

[Text] Pyongyang August 6 (KCNA)—The vacationing group of party workers of the Polish United Workers' Party headed by Zofia Stepien, member of the Political Bureau of the Central Committee of the PUWP, left for home by train on August 6.

It was seen off at the Pyongyang Railway Station by Kwon Min-chun, vice-director of a department of the Central Committee of the Workers' Party of Korea, and Mieczyslaw Dedo, ambassador of the Polish People's Republic to Korea, and Zhang Tingyan, charge d'affaires ad interim of the Chinese Embassy here.

While staging in Korea, here the vacationing group visited Mangyongdae and went round the West Sea barrage, the tower of the chuche idea, the arch of triumph and other places in Pyongyang and local areas.

Ethiopian, Japanese Delegations Arrive
SK0908110288 Pyongyang KCNA in English
1053 GMT 9 Aug 88

[“Visits”—KCNA headline]

[Text] Pyongyang August 9 (KCNA)—A delegation of Ethiopian People's Police Force headed by its chief commissioner Major General Worku Zewdie arrived in Pyongyang on August 8.

And a delegation of officials of the General Association of Korean Residents in Japan (Chongnyon), home-visiting groups of the Union of Korean Students Studying at Japanese Schools and those of Korean students in Japan and a short-term home-visiting group of Korean residents in Japan arrived in Wonsan on August 8 for a visit to the socialist homeland.

Egyptian Envoy Hosts Reception in Pyongyang
SK0508154088 Pyongyang KCNA in English
1523 GMT 5 Aug 88

[Text] Pyongyang August 5 (KCNA)—Mohie Eldin Youssef Elattar, ambassador of the Arab Republic of Egypt to Korea, hosted a reception on the evening of August 5 on the occasion of 36th anniversary of the July 23 revolution of the Egyptian people.

Invited to the reception were Vice-Premier Chong Chun-ki and personages concerned.

Speeches were exchanged there.

Mozambique Defense Minister, Delegation Visit

Attend Banquet With O Chin-u
SK0608051788 Pyongyang KCNA in English
0505 GMT 6 Aug 88

[Text] Pyongyang August 6 (KCNA)—The Ministry of People's Armed Forces gave a reception Friday evening in honor of the military delegation of the People's Republic of Mozambique led by General Alberto Joaquim Chipande, minister of national defence.

O Chin-u, minister of People's Armed Forces, made a speech at the reception.

Noting that Korea and Mozambique have long established the close bonds of friendship in the common struggle against imperialism, colonialism and racism and are constantly expanding and developing them, he continued:

The visit to Korea by respected President Joaquim Alberto Chissano in May marked a particularly important occasion in bringing the traditional friendly relations between Korea and Mozambique to a new higher stage.

Today the Mozambican people and officers and men of the Liberation People's Army are making a dynamic advance along the road of socialist development even under the difficult condition in direct confrontation with the South African racists.

We sincerely wish you fine success in the struggle to build a new, independent and prosperous Mozambique, closely rallied around the Mozambican Liberation Front Party (Frelimo Party) headed by respected President Joaquim Alberto Chissano.

We bitterly denounce the criminal manoeuvres of the South African racists against the people's republic of Mozambique and other frontline states and extend full support to and firm solidarity with you in the struggle to shatter the aggressive manoeuvres of the racists and the armed bandits, achieve the security of the country and reconstruct the national economy.

To develop the Korea-Mozambique friendship accords with the interests and desire of the two peoples and armies.

We will, as in the past, so in the future, too, struggle dynamically for peace, democracy, national independence and socialism together with the fraternal Mozambican people and officers and men of the Liberation People's Army.

Alberto Joaquim Chipande spoke next.

Saying that the friendly relations between the Mozambican and Korean peoples are solid and ever-lasting, he went on:

The development of these friendly relations is based on the ideological commonness existing between the Frelimo Party and the Workers' Party of Korea.

We firmly stand on the same front of common struggle for social progress of the people against imperialism.

In particular, we always remember the effective assistance to the Mozambican people by the fraternal Korean people under the wise guidance of the Workers' Party of Korea and the great leader Comrade Kim Il-song.

We will launch our unchangeable struggle to the end to liquidate the armed reactionaries, achieve the country's rehabilitation and free ourselves from poverty, starvation and backwardness.

We highly estimate once again the proposals made by the workers' party, the government and people of Korea on their own initiative for the peaceful reunification of the country.

We also extend full support to the policies put forward by your party to reunify the country and achieve peace in this region and wish your party good results in their realization.

We are convinced that our current visit will be a new impetus to strengthening the friendship, solidarity and fraternal unity between the governments and peoples of our two countries.

Hold Talks With O Chin-u

SK0608104288 *Pyongyang KCNA in English*
1033 GMT 6 Aug 88

[Text] Pyongyang August 6 (KCNA)—Talks were held here today between the military delegation of the Democratic People's Republic of Korea and the military delegation of the People's Republic of Mozambique.

Present at the talks on our side were Minister of People's Armed Forces O Chin-u, General Kim Kwang-chin, other generals and officers of the Korean People's Army. Present on the opposite side were the members of the visiting delegation led by Gen. Alberto Joaquim Chipande, minister of national defence, and charge d'affaires ad interim of the Mozambican Embassy here Gregorio Lingande.

Talks proceeded in a friendly atmosphere.

Received by Kim Il-song

SK0808102188 *Pyongyang KCNA in English*
1009 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—The great leader President Kim Il-song on August 8 received the military delegation of the People's Republic of Mozambique headed by Gen. Alberto Joaquim Chipande, minister of national defence, on a visit to Korea.

Present there were O Chin-u, minister of People's Armed Forces, and general of the Korean People's Army Kim Kwang-chin.

President Kim Il-song had a conversation with the guests in a cordial and friendly atmosphere. The head of the delegation presented a gift to him.

Present Gift for Kim Chong-il

SK0808104088 *Pyongyang KCNA in English*
1022 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, was presented with a gift by Alberto Joaquim Chipande, minister of national defence, who is heading the military delegation of the People's Republic of Mozambique on a visit to Korea. The gift was handed by Alberto Joaquim Chipande to an official concerned.

WPK Sends Greetings to Zimbabwe's Mugabe

SK0808053588 *Pyongyang KCNA in English*
0529 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—The Central Committee of the Workers' Party of Korea sent a message of greetings on August 7 to Robert G. Mugabe, first secretary and president of the Central Committee of the Zimbabwe African National Union-Patriotic Front, on the occasion of the 25th anniversary of the founding of the Zimbabwe African National Union.

We are sincerely rejoiced as over our own over the great successes registered by your party under your correct leadership in the past period in the struggle to terminate the imperialist colonial rule, achieve national independence and build a new progressive society, the message said.

Expressing the belief that the friendly and cooperative relations between the parties and peoples of the two countries would grow stronger and develop in the future, the message sincerely wished First Secretary and President Robert G. Mugabe and his party greater successes in the struggle to achieve the victory of the cause of peace and socialism against imperialism and racism.

Daily Views National Defense as Guideline

SK0908112188 *Pyongyang KCNA in English*
1054 GMT 9 Aug 88

[Text] Pyongyang August 9 (KCNA)—NODONG SINMUN on August 8 dedicated one whole page to an editorial article headlined "the Revolutionary Line of Independence, Self-Sustenance and Self-Reliance in National Defence is the Banner of Victory and Prosperity of the DPRK".

Our party's revolutionary line of independence, self-sustenance and self-reliance in national defence is the guideline for realising chajusong, a powerful weapon for the building of a new powerful and prosperous country and an inspiring banner for firmly defending and constantly glorifying the honor and dignity of the country and the nation, says the editorial article, adding:

This revolutionary line of our party is the correct guideline clearly indicating the way of building a rich and powerful independent and sovereign state.

The great leader Comrade Kim Il-song has taught:

"Our party's line of strengthening the political, economic and military might of the country in every way with all our efforts is the most correct way of expediting the victory of the Korean revolution."

Comrade Kim Il-song founded the immortal *chuche* idea in his early years and advanced the revolutionary line of independence, self-sustenance and self-reliance in national defence to apply it, thereby correctly indicating the principle and way of state building.

Giving a flawless answer to the question of the line of state building demanded by our time, this signifies a great historic contribution of the respected leader Comrade Kim Il-song to the prosperity and development of our country and the cause of the *chajusong* of mankind.

The validity and might of our party's line of independence, self-sustenance and self-reliance in national defence find expression in that it serves as a powerful weapon for steadfastly defending and thoroughly realising the *chajusong* of a country and a nation and in that it indicates a revolutionary way of immensely accelerating the building of a prosperous independent and sovereign state with the maximum utilization of domestic resources, believing in the strength and wisdom of one's own nation.

The editorial article stresses:

To realise independence, self-sustenance and self-reliance in national defence in state building and activities is a question of principle in increasing the *chajusong* of the country and the nation. Only when this line is adhered to, is it possible to safeguard and glorify the dignity of the nation.

It is totally alien to the independent stand, the principle of independence, self-sustenance and self-reliance in national defence to try to carry out the revolution without difficulty by depending on others, neither believing in one's own strength nor seeing inexhaustible potentials of the country. It is the main spirit that runs through the revolutionary line of independence, self-sustenance and self-reliance in national defence to assume responsibility for the destiny of the revolution in one's country and of one's nation and hew it out with one's own efforts to the end, even though it may be hard and difficult.

The revolutionary line of independence, self-sustenance and self-reliance in national defence is the banner of struggle, the banner of victory, for hastening the final victory of the cause of anti-imperialism and independence and the cause of socialism and communism, pushing aside the imperialists' aggression and intervention of all descriptions. Herein lies another expression of the validity and revolutionary spirit of this line.

This line illumines a revolutionary way of increasing the country's might in every way in all fields of the revolution and construction including politics, economy and military affairs. When this line is adhered to, it is

possible for each country to incomparably strengthen its internal forces, political, economic and military forces, and, furthermore, strengthen the world revolutionary forces.

The article says that our party's revolutionary line of independence, self-sustenance and self-reliance in defence is a great banner of creation and innovation which has been successfully applied to our revolutionary practice to bring about epoch-making miracles and changes.

In the whole course of his guidance of the building of a new society, the respected leader Comrade Kim Il-song gave comprehensive answers with his extraordinary ideological and theoretical activities to all questions of principle in the application of the revolutionary line of independence, self-sustenance and self-reliance in defence.

The period of modelling the whole society on the *chuche* idea assumes very important significance in the history of our republic which has traversed a course of prosperity and development under the banner of independence, self-sustenance and self-reliance in defence. Under the leadership of the party, all-out efforts have been made on a new higher stage to transform nature, society and people as required by the *chuche* idea. As a result, our state and social system has been consolidated beyond comparison, the potentials of the independent national economy have been increased in every way and education, science, literature and art brought into full bloom. The grand appearance of powerful Korea, the precious and great things brightly shining as the symbol of our dignified nation are all attributed to our party, and they are a valuable fruition of the revolutionary line of independence, self-sustenance and self-reliance in defence.

The achievements in applying this line under the wise guidance of the party and the leader are that the political *chajusong* of our Republic has been strengthened beyond comparison, a solid foundation of the independent national economy has been laid and the nation's defences have been consolidated.

In Korea, the leader, the party and the masses are united in one ideology and purpose. The leader's ideology is the faith of the party and the people, and the intention of the party and the leader is the will and desire of the people.

Our economy, which could not make even a pencil properly by itself in the past, has taken on new looks as a versatile and comprehensive economy which can satisfy all demands of the material life of the country and the people and a *chuche*-oriented developed economy all the sectors of which are equipped with modern technology and operate in reliance on the home natural resources and raw material.

Our party's self-reliant military line, the keynote of which is to make the whole army a cadre army, modernize the whole army, arm the entire people and turn the whole country into a fortress, has been embodied with the result that our People's Army has been strengthened into an a-match-for-a-hundred revolutionary army prepared politically and ideologically and in military technique, and a superior all-people, all-state defence system has been firmly established throughout the country.

With the brilliant application of the line of independence, our country now has close political and economic relations with socialist countries and newly-emerging countries and all other countries of the world which respect our sovereignty on the principle of complete equality and mutual benefit.

The article stresses that our party's revolutionary line of independence, self-sustenance and self-reliance in defence is a banner of continuous revolution, an eternal banner of victory which our people should invariably hold aloft in the future, too.

Paper on Mass Discussion of Economic Plan

SK0908004688 *Pyongyang Domestic Service in Korean*
2213 GMT 5 Aug 88

[NODONG SINMUN 6 August editorial: "Let Us Successfully Guarantee the Work of Mass Discussion for Drawing Up Next Year's People's Economic Plan"]

[Text] Today, all domains and units of the people's economy are actively carrying out the struggle to victoriously complete the 200-day campaign and fulfill this year's quotas ahead of schedule.

Under these circumstances, we are facing an important task to substantially conduct the work of popular discussion for drawing up the people's economic plan for next year and work out a correct plan.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the party Central Committee, has noted: Only when they go deep among the masses can the planning functionaries correctly grasp the situation and work out a correct plan. Accordingly, the planning functionaries should go among the masses at all times and draw up the plan through discussions with them.

Embodying the mass line in drawing up the people's economic plan is a demand of the chuche idea and our party's invariable policy.

As has been elucidated by our party, masses are teachers in all areas. Masses are those who know the demand of the party policy well. They are also those who are familiar with production and construction. Only when a plan is worked out through the discussion with the masses, who are the masters of production, can a realistic

and mobilizing plan be worked out fully mobilizing their desire and demand as well as their strength and wisdom, and high speed and balance be ensured in the socialist economic construction.

Next year, 1989, is the 3rd year of the Third 7-Year Plan. Next year, too, we should effect ceaseless upsurges in the socialist economic construction with the spirit of carrying out the 200-day campaign. To this end, we should properly conduct the work of mass discussion to correctly harmonize the demand of the centralized system of the state and the creativity of the masses with one another.

The committees and ministries of the State Administration Council, the administrative and economic organs of the provinces, and the plants and enterprises should regard the work of mass discussion for drawing up the people's economic plan for next year as an important policy work and should substantially conduct it in a brief period.

Conducting the work of mass discussion at a high political and ideological level is a prerequisite to its success. The masses of production workers are the masters of the planning work, and the masters of carrying it out. When the masses of production workers are ideologically mobilized, any task can be accomplished, and all hidden resources can be mobilized.

Functionaries should maintain the chuche-oriented viewpoint of our party, the revolutionary mass viewpoint, in conducting the work with the masses. By so doing, they should ensure that the masses display a high political zeal.

Solving problems through the strength of the masses is an important demand of the great leader's working style. Our party demands that priority be given to the power, coal, metallurgical, and other major industries and railway transport next year, too; that production be stabilized at a high level; that the light industrial and agricultural production be increased; and that the people's standard of living be further improved.

The functionaries of the committees and ministries of the State Administration Council, the administrative and economic organs of the provinces, and the plants and enterprises should give priority to the political work among the masses of production workers and ensure that they participate in the discussion work to meet the demand of the party and state with a high political consciousness and zeal.

In particular, functionaries at the subordinate units should substantially conduct the work of mass discussion by mobilizing the creative wisdom of production innovators, skilled veteran workers, and technicians and actively support their innovative ideas.

In the work of mass discussion for drawing up next year's plan, it is important to display the revolutionary spirit of self-reliance, effect technological innovations, and concentrate efforts on fully mobilizing hidden resources. Mobilizing hidden resources under the revolutionary slogan of self-reliance is one of the important ways to guarantee high speed in the economic construction through the active mobilization of the existing economic foundation and production potential.

All guidance functionaries should make the masses of production workers correctly realize the significance of technological innovation and the work of mobilizing hidden resources. By so doing, they should effect technological innovations, specifically grasp the status of the use of facilities, materials, and resources, actively mobilize hidden resources, and find ways to increase the production and construction with the available facilities, materials, and resources.

In particular, by conducting the work of mass discussion in connection with the scientific and technological development work in all domains of the people's economy, the capacities of facilities and the rate of their use should be increased to the maximum extent, and the technological and economic standards such as the consumption of power, coal, oil, and other resources and such as labor norm should be ceaselessly revised.

Without meticulous administrative organizational work, it is impossible to properly conduct the work of mass discussion for drawing up next year's plan, which is simultaneously conducted across the country. The committees and ministries of the State Administration Council, the administrative and economic organs of the provinces, and the plants and enterprises should properly conduct the work of harmonizing so that the functionaries, in conducting the work of mass discussion at the subordinate units, may properly conduct the workshop and plant discussion work after the workteam discussion. In addition, efforts should be concentrated on the work of mass discussion at the units that play important roles in the people's economy.

All economic organs should specifically grasp the status of the work of mass discussion at all times and thoroughly fulfill the demand of the party and state in drawing up plans. At the same time, the work of mass discussion should be simultaneously conducted over the financial cost plan, and all the plans should be specifically harmonized with one another.

The State Administration Council and other concerned organs should properly provide the working conditions for the planning functionaries and ensure that the work of mass discussion be successfully completed within this month.

Strengthening party guidance over the work of mass discussion is a decisive guarantee for embodying the party spirit and the scientific principle in the planning

work. The party organizations at all levels should intensify the political work to let the masses of production workers know about the significance and objectives of the work of mass discussion for drawing up next year's plan. They should responsibly lead the work of mass discussion. By so doing, they should ensure that the party line and policy be thoroughly embodied in drawing up the plans.

Meanwhile, the party organizations, while carrying out the final assault to victoriously complete the 200-day campaign, should simultaneously conduct the work of mass discussion. In particular, those administrative and economic functionaries of the party who are assisting the 200-day campaign at the subordinate units should properly assist the work of mass discussion.

Art Circles Celebrate Founding Anniversary

SK0808055088 *Pyongyang KCNA in English*
0538 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—A national festival of art circles celebrating the 40th anniversary of the founding of the DPRK opened.

Participating in the festival are more than 1,500 art circle members selected from provincial contests following city and county contests.

Workers, cooperative farmers, office employees and other strata of broad masses in all domains of the national economy will put on the festival stage vocal and instrumental music, dances, tales in songs, story-telling and pieces showing individual special ability.

The opening ceremony took place at the Anju Theatre on August 7.

An opening address was made by Chang Chol, minister of culture and art.

In Korea under the guidance of dear Comrade Kim Chong-il the mass art has entered a new stage of development and is further efflorescing and developing as a true and popular art conforming with the interests and aspirations of the working masses with their high enthusiasm and active participation.

Emergence of Heroes Shows Validity of System

SK0708082488 *Pyongyang KCNA in English*
0806 GMT 7 Aug 88

[Text] Pyongyang August 7 (KCNA)—NODONG SINMUN August 6 carries an article titled "Emergence of Many Heroes is Powerful Demonstration of Validity of Our Revolutionary Cause." It says:

In Korea many heroes have been produced and the heroic spirit of the people is fully displayed because the cause of our party, the chuche cause, is just.

The signed article goes on:

The great leader Comrade Kim Il-song has taught:

"Today the world's people call our Korean people a heroic people. If all the working people in our country perform feats of heroism in socialist construction to be heroes, it will be better."

The emergence of many heroes is an important index showing the greatness of the party and the dignity of the country.

It is a law-governed phenomenon which is based on the justness of our party's revolutionary cause which has been promoted under the banner of the chuche idea, the wise leadership of the party, the greatness of the revolutionary traditions and the superiority of our socialist system.

The greatness of the guiding idea and the revolutionary traditions and the superiority of the social system is a source of the inexhaustible strength giving full scope to the heroism of the people.

The epic of the shining feats of the heroes in our country is a precious fruition of the great leadership of the party and the leader that has brought up our people to be heroic people and encouraged them to perform heroic exploits.

Our people who had been oppressed and humiliated in the past have earned themselves fame as a heroic people. This is because they have respected Comrade Kim Il-song, a genius of the revolution and a legendary hero, as their leader, and are under the sagacious guidance of the great party centre.

The greatness of a leader is the basic source of the growth of the people, humble and ordinary, into heroes of the time.

The justice of the revolutionary cause and the superiority of the social system are objective conditions of the emergence of many heroes from among the people.

The great leadership of the party and the leader is a fundamental factor of the growth of the people into a heroic people.

The heroic qualities and noble traits of our people are a full inheritance of the heroic virtues of the great leader, the hero of the heroes, and they have been nursed in the embrace of the party and the leader. Correct education and training by a great leader produces many heroes and makes the entire people a heroic people. This is a precious truth which is taught by the history of heroic Korea.

The intelligent leadership of the party and the leader in training our people to be a heroic people finds expression, first of all, in that they have pursued a just policy of rearing the popular masses to be revolutionaries as required by the chuche idea, regarding it as its guiding compass.

The wise guidance of the party and the leader in upbringing our people to be a heroic people also finds manifestation in that they have made sure that a mass movement was conducted to generalize the examples of the heroes, regarding the production of many heroes as a policy requirement.

It stresses:

The lofty intention of the great leader to make the entire people heroes has been successfully put into effect under the energetic guidance of our party. Dear Comrade Kim Chong-il saw to it that unassuming heroes and unassuming people of distinguished services were actively found out and put in the foreground and, in particular, the party organisations powerfully conducted the movement of following the examples of the unassuming heroes as a party-wide work, regarding it as an important policy of the party. This is of weighty significance.

With the movement of following the examples of the unassuming heroes powerfully waged under the guidance of our party, an emotional canvas was unfolded, heroes producing heroes and the number of heroes increasing from one to ten, from ten to one hundred and from one hundred to one thousand.

The leader who has reared the heroism of our people called the people of heroic Korea among the world people is the great leader Comrade Kim Il-song and our glorious party centre.

Kang Song-san Speaks at 5 August Mass Meeting
SK0708090588 Pyongyang KCNA in English
0846 GMT 7 Aug 88

[Text] Pyongyang August 7 (KCNA)—50,000 working people in Chongchin City had a meeting on August 5 to express their determination to thoroughly implement the teachings of the great leader President Kim Il-song and the militant tasks set by dear Comrade Kim Chong-il during his on-the-spot guidance to North Hamgyong Province.

President Kim Il-song recently acquainted himself with the economic affairs in the province and illumined the road ahead of the province and Comrade Kim Chong-il gave on-the-spot guidance to the Kyongsong Ceramic Association in July and convened a consultative meeting of officials concerned, at which he put forward tasks for further developing the national economy and improving the people's life.

A report was made by Kang Song-san, member of the Political Bureau of the Central Committee and chief secretary of the North Hamgyong Provincial Committee of the Workers' Party of Korea and chairman of the North Hamgyong Provincial People's Committee. Speeches were also made there.

They pointed to measures for rapidly developing metal industry, mining industry and other sectors of the national economy in the province and radically enhancing the people's standard of living.

Kim Yu-sun Attends Physical Strength Ceremony
SK0808055188 Pyongyang KCNA in English
0541 GMT Aug 88

[Text] Pyongyang August 8 (KCNA)—The opening ceremony of the month of examination of people's physical strength for 1988 was held at the Kim Il-song stadium on August 7.

Chairman of the Korean Physical Culture and Sports Guidance Committee Kim Yu-sun and others spoke at the opening ceremony.

The speakers said that the great leader Comrade Kim Il-song, seeing the importance of the sports work long ago, put forward a chuche-based and popular sports policy and has paid deep attention to the development of this work.

They noted that dear Comrade Kim Chong-il clearly indicated the road to be followed by sports in each period and at each stage of the developing revolution, and gave an original exposition of the position and role of sports in the building of socialism and communism and put forward the task of sports in his work "on popularizing sports and rapidly developing sports technique."

They pointed out that under the wise leadership of our party the examination of people's physical strength has greatly contributed to helping the people conduct independent and creative activities with stout physical strength.

Chemical Industry Reports on Expansion Gains
SK0608100888 Pyongyang KCNA in English
1000 GMT 6 Aug 88

[Text] Pyongyang August 6 (KCNA)—The working people in the chemical industrial sector are effecting innovations in production and construction.

According to data available at the Ministry of Chemical Industry, the gross industrial output value under the ministry jumped 2.2 percent in the 160 odd days of the 200-day campaign as against the same period of last year.

In this period, it rose 12.7 percent at the February 8 Vinalon Complex, 36.5 percent at the Pyongyang Rubber Factory, 27.6 percent at the General Bureau of Salt Industry and 15.2 percent at the Minor Chemical Association.

Much progress has been made in the construction of the large chemical center and various factories.

In the aforesaid period, the builders of the Sunchon Vinalon Complex assembled nearly three times as much equipment as in the pre-campaign comparable period.

They completed or put into operation the methanol unit, the carbide unit and other production processes.

The construction of the Sariwon Potassic Fertilizer Complex is also progressing at fast speed.

The builders of the complex are topping their daily targets by more than 50 percent in the construction of major objects.

The builders of the Hamhung Herbicide Plant have completed the construction of the structures and are assembling the equipment at fast speed. The construction of the Hukbosan Fertilizer Factory of the Namhung Youth Chemical Complex has been actively promoted, with the result that the first line has already begun production.

Projects are going on in full scale at various factories to expand their capacities.

The Chongchin Chemical Fibre Complex has finished in the main the capacity expansion project and begun production on some lines.

The capacity expansion project has made a considerable progress also at the Sinuichu Chemical Fibre Complex.

Chollima Steel Complex Sees Continuous Success
SK0808051988 Pyongyang KCNA in English
0514 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—The Chollima Steel Complex is registering a signal success in the production of iron and steel in the heat of the 200-day campaign.

It has boosted the daily steel output 20 percent and rolled steel 27.4 percent over the daily average in the past 150 days.

The furnacemen of Steel Shop No 1 has lifted output 20 percent in a month-long period through a drive to cut the melting time per charge.

Steel Shop No 2 has attained a high mark in production by improving technical and equipment control.

Rolling workers of the hero blooming mill have raised production 20 percent, 40 percent at maximum, by continuous rolling.

The 200-day campaign is in high gear at all units of the complex including June 29 workshop which has supplied the whole amount of stainless steel to the construction site of the Suncheon Vinalon Complex.

Agricultural Outlook for Locality Reported
SK0808100688 Pyongyang KCNA in English
1000 GMT 8 Aug 88

[Text] Pyongyang August 8 (KCNA)—A bumper crop rare to be seen has visited the Paektu Samchollibol Plain.

The Taehongdan county combined farm looks ahead to 700 more kilograms of wheat and barley and 5 more tons of potatoes per hectare than last year. An increase of 2 tons of wheat and barley and over 10 tons of potatoes per hectare are foreseen on the Hongam Branch Farm and other fields.

Farmers there sowed good seeds suitable for the climate and natural features of the Paektu Plateau. The Paektu Samchollibol has greeted the richest harvest ever since its founding.

The farm is repairing and readjusting machines in good time to gather in wheat and barley and potatoes without loss.

Kim Il-song's Reunification Efforts Praised
SK0908115788 (Clandestine) Voice of National Salvation in Korean to South Korea 0200 GMT
6 Aug 88

[Unattributed Talk: "Policy for Wide-Ranging North-South Negotiations and Dialogue"]

[Text] Amid our masses' incomparably increasing desire for reunification, the recent moves toward developing North-South dialogue have aroused attention at home and abroad. Today, the whole nation not only urgently wants North-South dialogue to be held at the earliest possible date for a new turning point in achieving peace in the country and its reunification, but it is also watching keenly and with great interest the recent developments toward North-South dialogue.

At this time, we mark with deep emotion the anniversary of the unforgettable speech delivered on 6 August 1971 by the respected and beloved President Kim Il-song, the sun of the nation, in which he advanced a policy for wide-ranging North-South negotiations and in which he opened the chapter of North-South dialogue for the first time in the history of national division.

The respected and beloved leader, based on his scientific analysis of the internal and external situation in the early part of the seventies, clarified an epochal policy to

promote the independent and peaceful reunification of the country. In his historic speech of 6 August 1971, "The Joint Struggle of the Revolutionary People in Asia Against the U.S. Imperialists Will Be Victorious Without Fail," President Kim Il-song advanced a new policy for wide-ranging negotiations between the North and the South.

In the speech the respected and beloved President Kim Il-song stated: We are ready to have contact with all political parties, including the Democratic Republican Party; public organizations; and individual personages in South Korea at any time.

The policy for wide-ranging North-South negotiations advanced by President Kim Il-song won great sympathy and support from people at home and abroad as soon as it was made public.

As is well known, at that time the United States, the ruler of South Korea, employed the cunning double-dealing policy of trying to improve relations toward big countries while more viciously perpetrating its maneuvers for aggression toward small and divided countries in a bid to extricate itself from its isolated situation within and without.

On the other hand, at that time our masses' desire for the peaceful reunification of the country was very strong. In the presidential election in April 1971, Kim Tae-chung of the New Democratic Party, who asserted the peaceful reunification of the country, obtained votes of overwhelming support in many provinces, including Seoul and Cholla Provinces. This fact reflected the public sentiment prevailing at that time. Along with this, the Pak Chong-hui ring, which ran frantically wild for North-South confrontation and splittist maneuvers at that time, had to undergo very restless days.

At that time, in his 6 August speech the respected and beloved President Kim Il-song advanced a policy for wide-ranging negotiations between the North and the South. He clarified an epochal measure for ending the state of national division with the united strength of the entire nation and achieving national reunification. The policy of North-South negotiations advanced by the respected and beloved President Kim Il-song became a turning point in eliminating the state of protracted deadlock between the North and the South and in providing the room for North-South dialogue.

As every one knows, at that time, giving in to the unanimous support for the policy of North-South negotiations among the people at home and abroad and to their pressure, the Pak Chong-hui ring had to come to the site of North-South dialogue. A contact between the Red Cross organizations of the North and the South was made on 29 August 1971.

After that, in a press interview with reporters of the Japanese newspaper YOMIURI SHIMBUN, President Kim Il-song proposed a North-South political consultative conference, and afterward he appealed to the South side to further expand North-South dialogue on many occasions. As a result, high-level North-South talks were held separately from the North-South Red Cross talks.

As we know well, in 1972 high-level North-South talks were held in Seoul and Pyongyang. The 4 July North-South joint statement was then announced to the world. The basic content of this statement comprises the three principles of independence, peaceful reunification, and great national unity elucidated by the respected and beloved President Kim Il-song. According to this statement, the North-South Coordinating Committee was officially formed. The North-South Red Cross talks were held alternately in Seoul and Pyongyang. Thus, North-South dialogue proceeded actively.

Indeed, the North-South dialogue in the early part of the seventies aroused great interest and support among the people at home and abroad and was a brilliant result of the policy of wide-ranging North-South negotiations advanced by the respected and beloved President Kim Il-song, the sun of the nation and the lodestar of national reunification. It was also a result of the wise leadership of the respected and beloved President Kim Il-song who has devoted his whole life to national reunification.

Whenever we recall the course in which a breakthrough in the barrier of division was opened for the first time in 26 years of national division and in which North-South dialogue was held, we cannot repress our feeling of reverence toward the respected and beloved President Kim Il-song.

In fact, North-South dialogue opened a bright prospect for national reunification. However, the Pak Chong-hui ring advanced along the road of leading North-South dialogue to a rupture while ignoring our masses' desire for reunification.

Under the manipulation of the United States, the Pak Chong-hui ring established the fascist Yusin system and brought North-South dialogue to a rupture through the 23 June splittist declaration. The Pak Chong-hui ring used North-South dialogue for its insidious political purposes and to secure its political power.

Historical experience shows that if one comes to the North-South dialogue with a bayonet in hand, success will not be attained as one has hoped.

One of the reasons our masses recently strongly urged the masses from all walks of life to participate in the North-South dialogue is because successive authorities, monopolizing the reunification issue, used the North-South dialogue for the impure objective of security of their power.

Successive rulers have acted as if they took the initiative in the North-South dialogue and pushed ahead with it, thus distorting the truth. Even today, they are attempting to use the North-South dialogue for their impure strategic aims while raving about the government-led North-South dialogue.

In recent years, the respected President Kim Il-song put forth various nation-saving measures, including the proposal for North-South high-level political and military talks, the proposal for a North-South joint conference, and the proposal to bring about a stage for bilateral and multilateral negotiations among representatives from all walks of life even before the North-South joint conference is convened.

The historical fact that the North-South dialogue was realized and that it made progress is an indispensable result brought about by the justness of measures for North-South negotiations put forth by the respected President Kim Il-song and by his wise leadership.

The international society, not to mention our masses, have extended active compliments and support for the policies for North-South dialogue put forward by the respected president because these policies most correctly reflected the aspirations and intentions of all fellow countrymen for reunification and equally accepted the interests of the authorities of both the North and the South.

Our masses should make every effort so that the policies for North-South dialogue put forth by the respected president may bring about fruitful results and should resolutely reject the maneuvers of the present regime that abuses the North-South dialogue for its strategic aims.

We should demolish the barriers of division and make a breakthrough along the path toward reunification by realizing at any cost the 15 August North-South student talks which all fellow countrymen, including the masses from all walks of life in the North and the South and the overseas compatriots, unanimously expect and for which they aspire.

The main body of reunification is all the masses in the North and the South. We should achieve without fail national reunification in the great unity of the nation by realizing multilateral contacts and dialogue between the masses from all walks of life in the North and the South.

South Korea

Assembly Accepts North's Proposal for Meeting
SK1008112988 Seoul YONHAP in English
1121 GMT 10 Aug 88

[Text] Seoul, Aug. 10 (YONHAP)—South Korean National Assembly Wednesday decided to accept North Korea's recent proposal for holding a preparatory contact for a inter-Korea parliamentary conference at the truce village of Panmunjom.

The Assembly also decided to counterpropose that the preparatory meeting be held on Aug. 19, two days later than the date indicated in North Korea's proposal.

Senior policy-makers of the four political parties, including the ruling Democratic Justice Party (DJP), at the same time, agreed, in a meeting presided over by the National Assembly Speaker Kim Chae-sun, to form a five-man delegation and send it to "Tongil-bak," a North Korean building in Panmunjom at 11 a.m. Aug. 19.

The policy-makers, while discussing the scope of participants in the proposed South-North parliamentary conference, agreed that the meeting's participants be restricted to the members of the National Assembly on the part of Seoul and the Supreme People's Assembly of the northern side.

With regard to Pyongyang's proposal to have the parliamentary meeting with representatives of "all political parties and social organizations" attending, the policy-makers decided to ask North Korea to consider such an expanded meeting separately from the parliamentary talks.

The inter-party meeting also decided to inform North Korean Supreme People's Assembly of such South Korean stance in a letter to be sent to Yang Hyong-sop, chairman of the North Korean legislature's standing committee, Friday.

Further on Decision

SK1008002988 Seoul THE KOREA TIMES in English
10 Aug 88 p 1

[Text] A preliminary meeting for a South-North parliamentary talks is likely to be held next week at Panmunjom as rival parties yesterday virtually accepted Pyongyang's proposal to the effect.

Chief policy-maker of the four ruling and opposition parties deliberated on the proposal in a meeting, hurriedly arranged by Assembly Speaker Kim Chae-sun.

Yi Han-tong of the Democratic Justice Party said after the meeting "We decided to consider the offer affirmatively."

They will sit down at Kim's office today to finalize their position on the issue.

A letter containing their conclusion will be sent to Yang Hyong-sop, chairman of the standing committee of North Korea's Supreme People's Assembly around this weekend, in response to his letter addressed to Kim yesterday, Assembly officials here said.

In the letter, North Korea requested that a preparatory meeting for the proposed South-North parliamentary conferences be held at 10 a.m. on Aug. 17 at "Tongil-gak," a building inside North Korean territory at Panmunjom.

Pyongyang also demanded that the preparatory meeting be attended by three to five Assembly members from each side, drastically reduced from the 15 lawmakers Seoul requested in its proposal on Aug. 1.

Yang proposed that the following first full-dress South-North parliamentary conference be held on Aug. 26 either in Seoul or Pyongyang. The conference may continue for five nights and five days, Yang suggested.

Yang insisted in his letter that proposed South-North parliamentary talks be also participated in by representatives of all political parties and social organizations, requesting that each side present a list of participants for identification.

One informed analyst said that it is uncertain as to whether the two sides will be able to iron out differences in their basic stance in the preliminary contact.

Yi Tong-pok, chief secretary to Speaker Kim, told reporters that it is noteworthy for North Korea to expand the scope of the main conference to include representatives of social organizations in addition to parliamentarians.

Seoul has thus far rejected repeated North Korean overture for a joint meeting of parliamentarians and heads of social bodies on the ground that the massive forum would turn into a venue of political propaganda for Pyongyang.

Yi also pointed out that Pyongyang wants to focus on the non-aggression and Olympic issues, while Seoul hopes for a free-wheeling debate.

Committee Hosts Student, Government Talks

SK1008002588 Seoul THE KOREA TIMES in English
10 Aug 88 p 2

[Text] Politicians and students are still far apart in their approach toward the meeting of South and North Korean students scheduled for Aug. 15 at the truce village of Panmunjom.

The Assembly special committee on unification held a closed-door talk yesterday with Unification Minister Yi Hong-ku, Vice Education Minister Kang Pyong-ku, representatives of the rival parties and leaders of the National Federation of University Students.

In the meeting, the government side reportedly reaffirmed that the official channel for any South-North contact must be limited to the government, advising the students to either stop the Aug. 15 meeting or postpone it until after the Olympics.

The government stuck to its position that the Aug. 15 meeting may be abused by Pyongyang in its scheme to divide public opinion and create confusion in the South although the government understands the student's "pure aspiration" toward peaceful nation unification.

It said the government will block the students from going to Panmunjom if they push for the meeting. The announcement again raises fears that the police and students may clash on national liberation day.

The student federation called "Chondaehop" said in a leaflet yesterday that it will go ahead with its plan, declaring that it will launch a signature-collection campaign to press for the co-hosting of the Olympics, which is just 38 days away.

The students federation called upon the citizens to join in its national pilgrimage, which started Sunday at the Southernmost island of Cheju-do and is scheduled to end at the truce village on Aug. 15.

The federation said a South-North meeting encompassing representatives of various walks of life is the most feasible way of advancing peaceful national unification. The government says the proposal is a "carbon copy" of Pyongyang's proposal.

Kim Tae-chung's Party for Peace and Democracy welcomes the students' move toward the Panmunjom meeting only on the condition that they limit agendas to such non-political issues as exchanges of pilgrimages and sports meets.

It is said that Kim Yong-sam's Reunification Democratic Party and Kim Chong-pil's New Democratic Republican Party hope that the students postpone the Aug. 15 meeting, although the parties express full support for exchanges of students between the South and the North.

Beside the opposition parties, a group of dissidents and pastors yesterday issued separate statements expressing their full support toward the Aug. 15 meeting of the South and the North students.

In Pusan, the National Coalition for Democracy criticized the government and the police for having blocked students, dissidents, and citizens from holding a rally yesterday in support of the students talks.

In Seoul, a group of pastors said they wanted to go to the truce village on Aug. 15 together with the students. They asked that the government issue formal reply to their request to hold a meeting of South-North pastors at the truce village on Sept. 1.

On Aug. 1, they issued a statement about their plan to hold preliminary talks for a pastors meeting at the truce village in September. They complained that the government has not replied to the proposal.

They announced yesterday names of the 12 representatives of Southern pastors who will go to the truce village on Sept. 1.

Parties Vow To Cooperate With Students

SK1008091088 Seoul HANGUK ILBO in Korean
9 Aug 88 p 1

[Text] At a meeting on 8 August with Chong Myong-su, vice chairman of the National Federation of University Student Representatives [Chondaehyop] and president of the student body at Yonsei University, and Yi Chong-chae and Kwon Hyong-taek, members of the Council of the Democratic Organizations for Independent and Peaceful Reunification of the Fatherland [Chotonghyop], PPD Vice President Mun Tong-hwan and RDP Vice President Kang In-sop discussed issues that concern the projected 15 August North-South student talks and agreed that the two opposition parties will cooperate with students on successfully holding the student talks.

The vice presidents of the two opposition parties and the students concurred on viewing the 15 August student talks as an expression of an earnest desire to reunify the divided country amid the global trend of moving toward great reconciliation. They also confirmed that the student talks, which are not political talks, are designed to realize sports meets and independent student exchanges between the students in the North and the South.

In a joint statement, the participants called on the government to abandon its decision to completely block the 15 August student talks—including searches for students on a wanted list and efforts to keep students from holding meetings—to hold talks with students for successfully holding the North-South student talks, and to support the student talks, since the government had earlier promised to accept into policy student demands for student exchanges.

No Urges 'All-Out' Effort for Secure Olympics

SK0908124788 Seoul YONHAP in English
1233 GMT 9 Aug 88

[Text] Seoul, Aug. 9 (YONHAP)—South Korean President No Tae-u called for all-out efforts on Tuesday to ensure the security for the Seoul summer Olympic Games.

"The success or failure of the Seoul Olympics depends on the safety of the games, all-out efforts should be made to guarantee the security until the very moment the Olympic torch is extinguished," the president told the Olympic officials while inspecting the Olympic complex in Chamsil, southeastern Seoul.

No said that airtight security measures from the police and the people's voluntary collaboration with them are essential to making the Seoul games a success.

Noting that 161 countries including the Soviet Union, China and most of communist bloc nations are to participate in the games, No also said that a successful Seoul Olympic event will lead to improved trade relations with communist countries with which Seoul has no diplomatic relations.

The Seoul government has been concerned that North Korea may use terrorism to disrupt the Seoul games.

Meanwhile, South Korea's ruling Democratic Justice Party will formally propose "a political truce" between rival parties just before and after the Seoul games, a party official said.

The move comes amid growing tensions between the ruling and opposition camps over probe into former President Chon Tu-hwan, his wife and relatives on their alleged corruption during Chon's eight-year rule.

The proposed temporary suspension of political strife is likely to be discussed in a meeting of rival party leaders, the source said.

The leaders of major opposition parties, which took a combined majority of parliamentary seats in the April 26 elections this year, appeared to agree with the DJP proposal as they did during the 1986 Asian Games under the mutual understanding that success of the ASIAD was crucial to the national interest, the source added.

Yun Tells No Call for Cabinet 'Personal Idea'
SK0908013988 Seoul THE KOREA HERALD
in English 9 Aug 88 p 2

[Text] Yun Kil-chung, chairman of the ruling Democratic Justice Party, paid a visit to Chongwadae yesterday to report on his recent visits to the Philippines and Japan.

Yun reportedly told President No that his controversial call for a constitutional amendment or a shift to the parliamentary cabinet system was purely his "personal idea."

DJP To Propose Political Truce Through Games
SK1008000988 Seoul THE KOREA TIMES in English
10 Aug 88 p 2

[Text] The Ruling Democratic Justice Party will formally propose a political truce before and after the Seoul Olympic Games, slated for Sept. 17 through Oct. 2.

The proposal will come forward around Aug. 15, the 43rd anniversary of the nation's liberation from Japan, party sources said yesterday.

The suspension of political strife is likely to be made in a meeting of rival party leaders, which will be sought upon the return of floor leader Kim Yun-hwan from Japan on Friday.

DJP spokesman Kim Chung-wi just admitted that the government party would pursue it because "controversy on political matters is cooling down the potential Olympic boom."

Opposition leaders are expected to agree with the DJP proposal as they did during the Asian Games two years ago under a "mutual" understanding that the successful hosting of the Olympic Games is crucial to national interests, he said.

The DJP will speed up activities of the seven special Assembly panels until the start of the cease-fire, Kim added.

He said that the ruling party would thus take the initiative in the operation of the seven panels designed to stamp out the old legacy of the Chon Tu-hwan administration and prepare for the Olympics and national unification.

It established five-point "principle" based on the decision, in a regular weekly meeting of the Central Executive committee, the top decision-making body of the ruling party.

First, DJP panel members will further stimulate the activities of the seven committees apparently in a bid to escape public criticism of their passive attitude.

Second, they will go all-out to investigate every case which the people suspect involves Chon and his relatives.

Third, anyone found to be guilty in the House investigation will be prosecuted in accordance to the law.

Fourth, the DJP will, however, strictly block any opposition attempt to exploit the panels for political revenge.

Fifth, it will oppose opposition parties' moves to stage out-of-parliament struggles, possibly in cooperation with dissident forces, for unification or other issues for partisan interests, through the legislature runs the pertinent panels.

No Tae-u To Meet Cabinet on Economic Situation
SK1008001788 Seoul THE KOREA TIMES in English
10 Aug 88 p 2

[Text] President No Tae-u will preside over a meeting of cabinet ministers concerned to examine the recent economic situation, at Chongwadae this morning.

Discussions are expected to focus on measures to control the heated real estate speculation and the price hikes which endangers the stability of the economy.

Also invited to the meeting are chief policy-makers of the four political parties. Chairmen of the National Assembly standing committees and presidents of mass media.

Kim Yong-sam Urges Economic Stability Measures
SK0908004988 Seoul THE KOREA TIMES in English
9 Aug 88 p 2

[Text] Kim Yong-sam, president of the opposition Reunification Democratic Party, yesterday called upon the government to map out concrete steps to stabilize soaring prices.

In a meeting with reporters yesterday, Kim blamed the current trend toward rising inflation on the release of huge sums of money during the past presidential and general elections, and the expansion of state budget aimed at the projected vote of confidence for President No Tae-u.

Kim warned that the serious nature of the inflation is likely to distort the income distribution structure and pose a threat to political, economic and social stability after the Seoul Olympics.

The RDP president said if current price trends are any indication, the nation will be soon beset with a crisis as a result of "the rich becoming richer and the poor becoming poorer."

He pointed out that inflation, as measured by the consumer price index, rose by 4.9 percent during the first seven months of this year and that real estate prices soared by as much as 50 percent.

Railroading Continues With Combined Opposition
SK0508235388 Seoul THE KOREA TIMES in English
6 Aug 88 p 2

[By staff reporter Kim Song-pok: "Assembly Marking Time On Democratization"]

[Text] Despite conspicuous progress toward democracy elsewhere in society, the National Assembly is marking time, having failed to slough off the past undemocratic practices of the majority force unilaterally pushing ahead with its political interests, disregarding the voice of the minority.

During the period of the previous 12th House which was controlled by the ruling Democratic Justice Party, the DJP railroaded through national budget bills in 1985 and 1986 in the absence of the opposition parties.

In October, 1986, the government party also forcibly passed a resolution asking for the arrest of an opposition legislator, Yu Song-hwan, with riot policemen cordoning off the Assembly conference chamber to block the opposition lawmakers who were trying to prevent a vote.

Yu was quickly jailed for his floor speech which the DJP said challenged the national ideology of anti-communism by asserting that the national unification should be given priority over antagonism to communism.

Now in the current 13th National Assembly, the tables have been turned as the opposition parties dominate the House.

On Wednesday, a special House committee investigating irregularities allegedly committed by former president Chon Tu-hwan during his seven-year term of office endorsed a self-proposed written request to prevent the ex-president and his family members from leaving the country, in the absence of its DJP members.

Opposition leaders Kim Tae-chung and Kim Yong-sam reportedly praised the "explicitly undemocratic move" of the committee, saying that it would act as a "good warning" to the DJP.

Special House committee chairman Yi Ki-taek, who is the vice president of Kim Yong-sam's Reunification Democratic Party, told an RDP meeting that the committee's action was unavoidable because of the lack of cooperation from the ruling camp.

Meanwhile, the ruling party was quick to demand an apology and the resignation of Chairman Yi for the "abnormal and arrogant" manner in which he had issued the request.

A DJP spokesman Thursday berated the opposition camp, saying "our party, with the people, deplors the absurd act of the opposition parties..."

It is ironical that the opposition camp accused the DJP with regard to unilateral actions in the House during the 12th Assembly in similar language to that used by the DJP Thursday.

On top of this, the opposition parties threatened a vote showdown to forcibly have former president Choe Kyu-ha testify before the legislature about clear elements in the process of power transfer from him to then Gen. Chon Tu-hwan in 1980.

The threat has made the government party toe the line and make a declaration yesterday that it will take part in the showdown, which is construed as an indication that it will agree to Choe's testimony at the special House panel.

The throttling of parliament by the opposition camp is certain to plunge the DJP into a sense of crisis and to push it to pursue a change in the system of government.

The ruling party's hope for a shift from the present presidential government system to a parliamentary cabinet rule was prematurely aired by DJP chairman Yun Kil-chung Tuesday and again on Wednesday while on his visit to the Philippines.

Terming the opposition-dominance of the House a "deformed" feature of politics, Yun said, "The parliamentary cabinet system must be pursued to allow a breakthrough in the abnormal political situation and prevent the emergence of political parties representing specific provinces."

Yun's remarks were followed with quick denials from the party and Chongwadae, which said that Yun's assertion was "one-hundred-percent personal opinion."

The DJP and Chongwadae promptly inquired of Yun's intent and called for the forgoing of airing his personal views.

Despite the "warning" from the party, Yun reiterated Wednesday his assertion, proposing a coalition of forces which favor the parliamentary cabinet system.

Yun's utterance came two days after the remarks by opposition New Democratic Republican Party president Kim Chong-pil favoring the parliamentary system during his visit to the United States. This triggered public suspicion about the possibility of prior behind-the-stage consultations between the DJP and the NDRP.

Despite the official denial by the DJP and Chongwadae, Yun's remarks could not be regarded as his own personal opinion because Yun, the holder of the No 2 post in the ruling camp hierarchy next to President No Tae-u, repeated the assertion twice.

In fact, a senior aide to President No admitted that the ruling camp prefers the parliamentary cabinet system to the president-led government. But he said that it is premature to talk about the parliamentary system at this time with only six months having passed since No's inauguration under the presidential system.

"It may be possible to come up with something after two or three years have passed, but doing anything is premature right now," said the aide who asked not to be identified.

Yun reasoned that the introduction of a parliamentary cabinet rule is necessary to prevent the recurrence of the regional antagonism which was shown explicitly during the 1987 presidential and 1988 general elections.

However, the DJP may have more important reasons for the pursuit of the parliamentary cabinet system. Political observers analyze that the DJP has no political figures who will be a match for the opposition leaders Kim Tae-chung, Kim Yong-sam, and Kim Chong-pil, all of them certain to challenge again for the presidency in the next presidential election.

The easiest way for the DJP to seek to retain power is through the winning of the parliamentary elections, the observers say.

Although Yun explained Thursday, after arriving in Japan, that his remarks in Manila were his personal view, the debate on the change of the government system is certain to be rekindled after the Seoul Olympics end in early October.

Younger Chon Denies Bribery Charges

SK0908005588 Seoul THE KOREA TIMES in English
9 Aug 88 p 3

[Text] Chon Kyong-hwan, 46, younger brother of former president Chon Tu-hwan, denied charges of influence peddling and bribe-taking, even though he admitted that he had received 200 million won from Pae Chong-yol, chairman of Hanyang Ltd., and Chong Kyu-song, chairman of Cosmos Department Store.

In the second hearing at the Seoul District Criminal court yesterday, Chon said he received the money merely as donations for the promotion of Saemaul Movement, not as bribery.

He said Pae did not ask him to exercise his influence in awarding him a contract for the construction of a park in Mt. Ujang in Kayang-dong, southwestern Seoul.

During the questioning by prosecutors, Chon denied that the 200 million won which Chong had given him was a bribe in return for his influence in giving Chong the upper hand in the management dispute involving the Hyatt Hotel.

Chon argued during the trial that Chong offered the money to be used for the training of Saemaul leaders when he visited Yongjong-do Island while it was being developed for the construction of a Saemaul leaders training center.

In the trial which began at 2 p.m., Chon also admitted that he received 17 million won from Yi Kil-yo, owner of Kil Hospital in Inchon, as expense for travel to the U.S. But, he denied that the money was to buy his influence in stopping Inha University from building a hospital.

As to the controversial import of obsolete vessel to use it as a floating training center for Saemaul leaders, Chon said it is true that he authorized the import.

However, he flatly denied any criminal intention in the import.

Throughout the trial, he argued that most of prosecution charges are factual. However, he had no criminal intention in the conduct of his official duty as the chairman of Saemaul Headquarters.

As to the embezzlement of 93 million won out of the fund earmarked for the training Saemaul leaders, Chon said it is not true.

He said he just admitted of having pocketed the money as told by prosecutors during questioning in order to help speed up his investigation.

Real fact is that, Chon said, the money was used for the purchase of office supplies to be used for the projected Yongjong-do training center.

Unlike the first trial on July 18, there was no disturbance by court audiences because the court took various precautionary measures, admitting only 150 people including 40 family members with admission tickets.

However, about 100 elders affiliated with the "Association of Democratic Elders" staged demonstrations outside the court together with scores of students, chanting, "Punish the bastard."

Court authorities said the third trial will be held at 10 a.m. Thursday. Sentencing is expected end of next month.

Parties Urge Viewing of Fifth Republic Documents
SK1008001588 Seoul THE KOREA TIMES in English
10 Aug 88 p 2

[Text] Rival party members of the Assembly irregularities probing panel invoked the parliamentary right to inspect state affairs and called on the government to present over 1,000 documents demanded by them.

The invocation of the right is the first since it was established by the Constitution of Chon Tu-hwan's Fifth Republic.

Under the recently established Law on Parliamentary Inspection and Audit, administration officials who decline the demand will be sentenced to jail terms of up to one year or fined five million won or less.

The ruling Democratic Justice Party demanded the presentation of 87 documents with regard to irregularities and financial scandals of the Chon administration.

The Party for Peace and Democracy called for 705 documents, the Reunification Democratic Party 348, the New Democratic Republican Party 218 and mavericks three.

The list was handed over to the administration yesterday.

Both the ruling and opposition parties demanded material relating to Chon's alleged forceful fund-raising for the Ilhae Foundation and his wife Yi Sun-cha's collection of forced "donations" for the Saesedae Foundation.

The ruling DJP focused on documents which may explain Chon's innocence, while the opposition parties centered on those which would be evidence supporting their charges against the Chon family.

In addition to Chon's financial scandals, the opposition demanded material concerned with "far-fetched" sedition charges against Kim Tae-chung, cover-up attempts in the Pak Chong-chol case, and oppression of the press by the Agency for National Security Planning.

Kim Tae-chung Demands Truth Behind Kwangju
SK0908011988 Seoul THE KOREA TIMES in English
9 Aug 88 p 2

[By staff reporter Yi Chang-sop]

[Text] Sokcho, Kangwon-do—Kim Tae-chung said yesterday that it is absolutely necessary to have ex-presidents Choe Kyu-ha and Chon Tu-hwan testify before the Assembly to bring to light the truth behind the 1980 Kwangju incident.

Kim made it clear that his Party for Peace and Democracy will, without fail, realize testimonies by the two former heads of state at the relevant Assembly Special Committees.

In a press conference here, the PPD president emphasized that the testimonies by Choe and Chon will be a litmus test on whether the No Tae-u administration has willingness to pursue democracy after clearing away the dark legacies of the past.

"There will be no democracy, no political stability without a convincing settlement of the Kwangju incident and the irregularities of the past," Kim stressed.

Kim charged that the government party is preparing a "war" while talking about political truce during the Olympics.

"The future political stability is contingent upon the No Tae-u administration's resolve to make a fresh start toward fuller democracy by liquidating the dark legacies of the past," Kim said.

He said he lends full support both to the government and the university students who, he said, seek to compromise their differing ideas to ensure the materialization of the South-North students talks on Aug. 15.

"I endorse the government's announcement which said it will positively accommodate the S-N students meet if its agenda is limited to such non-political issues as a pilgrimage and sports," he said. "I also welcome the students' move to limit their talks to non-political issues."

The following is the gist of his remarks during the press conference.

No's Confidence Vote. [subhead]

Now is not the time for such a debate. We did not demand a vote of confidence. He committed himself to it as an election pledge. It is confusing to hear many ruling party members talk about various ideas on ways of conducting the confidence vote. But No has not made any comment yet. I will clarify my position after hearing No's remarks and reading public opinion after the Olympics.

Even if the PPD seeks a hard-line stance on No's confidence vote, it may not be possible without full backing from the people. What is important is the direction of public opinion prevailing after the Olympics.

Our party does not want any political instability. Reform amid stability is the basic principle of the PPD. If the administration stops paying lip service and shows a sincere attitude towards fuller democracy, the PPD will help the No administration ensure a trouble-free political situation. But the administration acts in the same manner as in the past. Why the government raises the issues of "coalition" or the cabinet form of government just before the Olympic? I cannot understand.

The administration also attempts to put politics into a kind of crisis by attempting to blindly protect Chon and Choe from testifying before the Assembly panels. Now is a time for us, politicians, to mobilize all the national energy to clear away the dark past and the successful

staging of the Seoul Olympics. From now on the government and the ruling party are recommended to take the initiative in democratization through a "Copernican change" of attitude and way of thinking.

It is a "must" for Choe Kyu-ha and Kim Tae-chung to testify before the Assembly. Choe is called upon to clarify why a nationwide martial decree was enforced in 1980, why he had to resign from the presidency and whether Kim Tae-chung sought to topple the government by remote-controlling the citizens in Kwangju.

Choe is also urged to shed light on the true motives and background of the 1980 May 17 coup by Gen. Chon Tu-hwan and a few political generals. If these things are brought to light, then the "real cause" of the Kwangju uprising will be fully accounted for.

We must also identify who ordered the military to fire at the people in Kwangju and who killed may innocent citizens in the southwestern city. the ruling camp opposes the Assembly testimony by Choe in an attempt to protect Chon from being implicated. It also worries over what Choe will reveal in the panel.

All political activities, including the Assembly panel activities, must be handled smoothly through cooperation between the government and the opposition parties. This will surely ensure a successful Olympics. But the ruling camp is producing "unnecessary political cacophony" by being uncooperative toward the Assembly activities.

It is worth no debate. These issues, along with No's confidence note, are of no help to political stability at this time.

New National Assemblymen Polled on Issues *SK0908085088 Seoul HANKYORE SINMUN in Korean 31 May p 2*

[Results of poll of new National Assembly deputies conducted by the Political and Economic Departments of HANKYORE SINMUN]

[Text] (Editor's note: A total of 168 first-time deputies were elected to the 13th National Assembly, a majority of whose seats are controlled, not by the government party, but by the three opposition parties. We checked into the views of these first-time legislators because they are likely to espouse new approaches to governmental operations. Of the 168 newly elected deputies, 67 responded to our questions—25 from the DJP, 19 from the PPD, 15 from the RDP, and 9 from the NDRP. Since many DJP members refused to respond, the proportion of DJP respondents is less than the DJP's share of total Assembly seats.)

The most noticeable feature of the poll was the wide gap in expressed views depending on whether the respondent was a government party or an opposition legislator, and if the latter to what opposition party the respondent belonged.

Of the 16 interrogatives put to the deputies, the only question on which there was substantial agreement was whether the government should be solely responsible for conducting negotiations for national reunification.

In response to a question asking the deputies to name the three highest priority issues facing the 13th National Assembly, the DJP deputies responded in general terms, 18 listing political and democratic development or political development alone, 7 raising social stability and national harmony, 7 emphasizing the need for politics by dialogue, and 4 raising the issue of reducing regional animosity. By contrast, the opposition deputies of the PPD, RDP, and NDRP raised concrete issues. For example, 26 pointed to investigating Fifth Republic corruption, 25 suggested determining the facts of the Kwangju struggle, 18 mentioned the need to revise or repeal antidemocratic laws, and 7 listed releasing all prisoners of conscience from prison.

A question asking what single issue the new legislators thought the Assembly must address drew a variety of responses determined by party affiliation, place of birth, social class, and personal preference. The chief concern of many of the deputies was administrative reform (regional development, establishing a political process based on dialogue and compromise, restructuring the banking system), achieving fair distribution of justice, researching into reunification policies, implementing a local autonomy system, and protecting the interests of alienated social groups. Individual concerns included the need to solve the campus problem (Han Sung-su, DJP); legislation to encourage hiring the handicapped (Yi Chol-yong, PPD); solving the problems of the farmers (Pak Kyong-su, RDP); and basic rights for green belt [relating to conserving wooded areas] residents (Yi Taek-sok, NDRP).

Although the deputies' views on Assembly priorities and on current issues varied greatly, with regard to the question of negotiations with North Korea concerning reunification, the overwhelming number of respondents (83.6 percent) supported the position that the government should be the sole spokesman, while eight legislators (11.9 percent) opposed this idea, and three (4.5 percent) did not respond. Of the eight who disagreed, five were PPD deputies and three belonged to the RDP; all DJP and NDRP deputies supported the idea. The majority of legislators, however, believed that while the government should be the sole participant in negotiations, discussions of reunification should be made public to the widest extent possible.

In response to a question on the prospects for North Korean participation in the Seoul Olympics, the positive responses (16; 23.9 percent) were far fewer than the negative responses (51; 76.1 percent). Just 11 deputies (16.4 percent) believed that North Korean participation in the Olympics depended on if Pyongyang changed its basic position on the matter, and 40 deputies (59.5 percent) believed that North Korea's participation was impossible. Only 13 deputies (19.4 percent), in fact, believed that North Korean participation was still possible and that the South must continue to work to achieve northern participation, and of these 13, nearly all (11) were PPD members.

Concerning investigating Fifth Republic corruption, 21 legislators believed the first target of inquiry should be the family of former President Chon Tu-hwan, while 13 thought the first target should be the central administration of the Saemaul Movement, and 10 others placed the first investigatory priority on the Ilhae Foundation. Of the 25 DJP respondents, 11 did not answer the question at all.

The views of the new legislators were about evenly split on whether former President Chon should personally be a target of an Assembly investigation or if he should be afforded special treatment. Most DJP deputies (19 of 25) either opposed direct investigation of Chon outright or supported an investigation only on the precondition that no punishment would result (4 of 25). Meanwhile, most opposition legislators (35) approved of a direct investigation. The opposition deputies also were of the view that investigation of former President Chon must be conducted either by a special legislative committee or by Assembly hearings.

Of the opposition deputies, 35 said that in the event an investigation of President Chon revealed the fact of corruption, Chon must be subject to punishment. Of these, 13 believed that his property should be confiscated, while 22 felt that he should be subject to criminal punishment as well.

On the question of an inquiry into the facts of the Kwangju struggle, the views of opposition and government party deputies differed sharply on whether the Army should be an object of investigation and, if so, whether soldiers should be subject to punishment. Of the DJP deputies, 13 said, "The Army must not be investigated under any circumstances," while 9 believed, "The Army may be investigated, but soldiers should not be subject to punishment." Of the opposition deputies, on the other hand, 39 said that the Army must be investigated without fail, but only 22 (26.7 percent) said that soldiers should be subject to punishment if the investigation turned up wrongdoing.

Concerning ways and means to guarantee the political neutrality of the military, eight legislators wanted to enact special legislation, four wanted to find ways to

ensure that politicians were predominant over soldiers, and four wanted the president and the military to make their own views and intentions in this regard a matter of public record.

Concerning the best way to decrease regional antagonism, 17 deputies (25.4 percent) believed nondiscriminatory personnel policies were the answer, while 12 deputies (17.9 percent) thought that politicians themselves should have a little introspection on the matter. Another 10 deputies (14.9 percent) believed the answer was to be found in balanced regional economic development.

A large number of respondents (39; 58.2 percent) thought that President No Tae-u should follow through on his campaign pledge of seeking popular judgment on his performance after the Olympics. A large number of PPD and RPD deputies believed that the method for determining the popular view of No's performance should be a binding national referendum cast in direct terms asking whether or not No should continue as president. By contrast, nine DJP Members responded that the interim determination of popular confidence in the president should be accomplished in the form of a referendum on a policy issue and that President No must serve out the remaining period of his term.

Responding to a question about prospects for the present four-party structure, 37 deputies (55.2 percent) said that it was likely to continue for a protracted period beyond the Olympics and to the end of the 13th National Assembly. However 30 deputies (44.8 percent) either did not respond or believed the system would continue only a short time.

Concerning the call by PPD President Kim Tae-chung for a change in the presidential election system to allow a runoff vote, more opposition legislators (22) favored the idea than opposed it (15), but the majority of DJP deputies (21) either did not respond or said that such a change was unnecessary.

Concerning amending the constitution to establish a cabinet-responsible executive system, most opposition deputies (31) favored retaining the existing president-centered system, but the DJP legislators split, 13 favoring such a constitutional amendment, while 12 others either did not respond or favored the present system.

The views of opposition and DJP deputies differed again on the issue of maintaining the existing system of small National Assembly electoral districts. A total of 29 PPD and RPD deputies said the small-district system should be retained, while 23 legislators (34.3 percent; including 14 from the DJP, and 6 from the NDRP) said the small-district system should either be supplemented by or changed into a medium-district or large-district system.

Finally, although 15 PPD deputies (22.4 percent of the total) approved enacting special legislation to free prisoners of conscience from prison, only 3 deputies from the RDP and 2 from the NDRP agreed, while all the DJP deputies said that such legislation was either unnecessary or impossible.

Questions asked of newly-elected National Assemblymen:

1. Please list the three most important tasks to be accomplished by the 13th National Assembly.
2. Please list one item that you as a newly-elected deputy consider the one thing that must be accomplished by the Assembly.
3. Do you approve of the government acting as the sole player in negotiations with North Korea concerning reunification?
4. Is it possible to get North Korea to participate in the Seoul Olympics? If so, how can it be done?
5. What are the top three priority targets for investigation during inquiries into Fifth Republic corruption?
6. Should Former President Chon Tu-hwan be personally investigated? If so, what method should be used?
7. Should the matter end with a personal investigation of the former president? Or in the event that an investigation of the former president reveals the fact of corruption, should he be subject to criminal punishment and confiscation of property?
8. Should the Army be made the subject of investigation and possible punishment during the investigation into the facts of the Kwangju struggle?
9. What is the best way to guarantee the political neutrality of the military?
10. What is the best way to reduce regional antagonism?
11. Should President No conduct a popular interim evaluation of his performance? If so, by what means?
12. Will the present four-party political arrangement continue for a protracted period?
13. Should a presidential runoff be incorporated into the present presidential election system?
14. Should the constitution be revised to establish a cabinet-centered executive system? If so, why do you think so?
15. Should the present system of small National Assembly electoral districts be continued?
16. Should special legislation be enacted to push for the release of prisoners of conscience?

List of the 67 newly-elected deputies who responded to the poll:

DJP (25): Yi Hak-pong, Kang Yong-hun, Yi Sang-hui, Yi Ung-son, Hwang Song-kyun, Yi Yong-mun, Pak Chi-won, Yi Sang-tuk, Yi Kung-kyu, Kang U-hyok, Yu Ki-chon, Kwon Hae-ok, Choe Chae-uk, Kwon Tal-su, So Sang-mok, Kang Song-mo, Yi Ung-hui, Han Sung-su, Chon Yong-chang, Yi Sang-ha, Pak U-pyong, Son Chuhwan, Kim Kil-hong, Yi Chae-hwang, and Yi Sung-yun.

PPD (18): Mun Tong-hwan, Pak Yong-suk, Kang Kum-sik, Chong Kyun-hwan, Cho Sung-hyong, Cho Sun-sung, Yi Chan-ku, Chong Sang-yong, Yi Hyop, Chong Ung, Yang Song-u, Yi Hae-chan, Pak Sok-mu, Chae Yong-sok, Yi Chol-yong, Pak Sang-chon, Kim Chung-cho, and Hong Ki-hun.

RDP (15): Hwang Pyong-tae, Chang Sok-hwa, Choe Ki-son, Yu Sung-kyu, Paek Nam-chi, Yi In-che, Kim Il-tong, Sin Yong-kuk, Pak Chae-kyu, Pak Kyong-su, Yi Ki-chun, Choe Chong-sik, Cho Man-hu, Pak Tae-kwon, and O Kyong-ui.

NDRP (9): Yun Chae-ki, Kim Chong-sik, Cho Pu-yong, Kim Pyong-yong, Yi In-ku, Yi Taek-sok, Yu Ki-su, Chong Il-yong, and Kim Hong-man.

Dissidents Form Headquarters for Peace Rallies
SK1008002788 Seoul THE KOREA TIMES in English
10 Aug 88 p 3

[Text] A group of dissident leaders set up a headquarters to promote world and pan-national rallies for peace on the Korean peninsula and unification of the nation yesterday in Seoul.

About 100 dissidents including Rev. Mun Il-hwan and Kye Hun-che met at the auditorium on the second floor of the Christian building in Yonji-dong, Chongro-gu at 6 p.m. yesterday.

They announced in a statement that they set up the headquarters to realize a "unified" Olympic Games by stopping the "despotic" authorities from holding a "divided" Olympiad.

A unified Olympics where both south and north Koreans could join together would doubtless raise high the spirit of great national unity, they said in the statement.

The statement said that the dissident leaders would start to hold the world convention for the national unification on Aug. 22.

No's Brother-in-Law Hints at Presidential Run
SK0708002588 Seoul THE KOREA TIMES in English
7 Aug 88 p 2

[By correspondent Yi Chae-sung]

[Text] Washington—Kim Pok-tong, a former military strongman and brother-in-law of President No Tae-u, said Friday that he would engage in political activities to serve the country if conditions were ripe five years from now.

The retired Army lieutenant general made the remarks here to Korean correspondents, who asked him if he would run for the presidency after President No steps down upon completing his five-year term in 1993.

"I've never thought about it seeing it's only six months since President No was inaugurated. You cannot talk about things that may happen five years later," said Kim, who is an elder brother of First Lady Kim Ok-suk.

"As you know, running for the presidency is not a simple matter. First of all, you must get qualified and secure strong support from the people... But if conditions are ripe, I'll try my best to serve the country," Kim explained.

Now chairman of the Institute of International Culture and Strategic Affairs, Kim has been in Washington for about two weeks since he arrived here July 24 at the invitation of a U.S. government agency.

Asked about the role he played in the June 29 democratization declaration by No last year, Kim disclosed he advised No to have then President Chon Tu-hwan resign from his post to take full responsibility for the national crisis at that time.

Kim, who is not a member of No's Democratic Justice Party, tried to run for the parliamentary election last April as an independent candidate from his hometown of Taegu, Kyongsang-pukto. But he was dissuaded by No, who had promised during his electioneering that none of his relatives would seek public posts.

Brother-in-Law Denies Interest
SK0908014388 Seoul THE KOREA HERALD
in English 9 Aug 88 p 2

[From the "Out and About" column: "Candidacy Denial"]

[Text] Kim Pok-tong, brother-in-law of President No Tae-u, said Sunday that he had no intention to run for the presidency in five years.

Meeting with newsmen after returning home from a week-long trip to the United States, Kim described earlier news reports hinting at his presidential candidacy in 1992 as "distorted" and "misquoted."

A classmate of No and former President Chon Tu-hwan at the Korea Military Academy, Kim is known to have opposed military intervention in politics at the time of the Dec. 12, 1979 incident.

Students Rampage at Chungnam University
SK1008004788 Seoul THE KOREA HERALD
in English 10 Aug 88 p 3

[Text] Taejeon—About 40 students of Chungnam National University smashed furniture and windows after they intruded into the president's office yesterday as the university refused their request to arrange transportation and money to be used for the planned pilgrimage and Aug. 15 talks with North Korean counterparts at Panmunjom.

The militant students, including the leader of the student association, stormed the office of the president and chief of students' affairs housed on the second floor of the school's main building at 11:30 a.m.

The attack came 30 minutes after the students had a meeting with students' affairs chief in which they were again denied the earlier demand that they be given four buses and 10 million won for the planned events.

Radical Students Attack Police Posts 8 August
SK1008000188 Seoul THE KOREA TIMES in English
10 Aug 88 p 3

[Text] Radical college students and youths attacked police boxes with a hail of firebombs and stones Monday in Seoul, Kwangju and Iri, mounting violent street demonstrations in support of the South-North student talks on Aug. 15.

A group of about 50 students of Tongguk University attacked two police boxes of the Chungbu Police Station in Seoul Monday evening.

The students, members of the university's "advance party" for national unification, hurled stones at the Mukchong police box at approximately 8:10 p.m. Monday.

They fled after breaking seven windows in the policebox at the back of the university.

The students then threw roughly 20 petroleum bombs into the policebox in Chungmu-ro 150 meters from the Mukchong policebox.

Nobody was wounded in the attacks.

Students staged violent demonstrations in Kwangju Monday for the third consecutive day designed to express their support for the South-North student talks on Aug. 15.

About 100 students clashed with riot police force in Kwangju.

The students directed a hail of firebombs, brickbats and chunks of wood at the policemen who were desperate to quell street demonstrations.

The firebombs set five shops on fire, causing half a million won in damage.

Government Pushing for Revision of SOFA
SK0908004588 Seoul THE KOREA TIMES in English
9 Aug 88 p 2

[By staff reporter Kuk Ki-yon]

[Text] After over two decades since the Status of Forces Agreement (SOFA) came into effect the government is pushing for a revision of the basic accord regulating the status of U.S. armed forces personnel stationed in Korea.

Foreign Ministry officials have said the SOFA has long been criticized for its clauses unfavorable to the Korean side, Korea is not allowed to investigate or exercise jurisdiction over members of the U.S. armed forces involved in ever-increasing crimes in Korea.

According to the officials, the government will soon convene a meeting of representatives from the Foreign, Defense, Justice and Finance Ministries to prepare a framework for revamping the SOFA before the government starts negotiations with the United States.

"The U.S. is aware of this as Korea has already delivered its intention to the U.S. through the annual Security Council Meeting twice since 1987," an official said, adding that the U.S. hinted its intention to consider revising the agreement of Korea brings the matter forward in a concrete way.

Among the provisions at issue is Article 22, which states that "in cases where the right to exercise jurisdiction is concurrent, the military authorities of the United States shall have the primary right to exercise jurisdiction over members of the United States armed forces or the civilian component, and their dependents, in relation to offenses arising out of any act or omission committed in the performance of official duty."

Last year a total of 639 crimes were reportedly committed by the members of the U.S. armed forces, and Korea prosecuted only three of them under this provision.

As a result, Korean victims involved in the crimes did not even know the results of the judgments though the U.S. is supposed to notify the results to the Korean government officials concerned "as soon as is practicable."

Ministry officials explained Japan and West Germany have the primary right to exercise jurisdiction over the U.S. soldiers or civilian components when they commit crimes against Japanese or West German civilians except where Japan or West Germany turn over the right to the U.S. voluntarily.

Another disputed point is the expenditure needed for the maintenance of the U.S. armed forces in Korea.

Korea provides \$1.9 billion to the U.S. annually for the maintenance of soldiers including \$1.6 billion for the facilities and areas used by U.S. soldiers through the Combined Defense Improvement Plan.

According to the plan, Korea provides facilities and areas and the U.S. its equipments to build up the strength in the southern part of the Korean peninsula.

But it is severely criticized by the Korean side because Korea shoulders a heavier burden than both Japan and West Germany, and the level of expenditure should be reduced to the same level as for Japan and West Germany.

Foreign Ministry officials also said the provisions of the SOFA regulating expenditure for the presence of U.S. soldiers will be included in the list of revamping the agreement.

The provision says that Korea furnishes without cost to the United States and makes compensation to the owner and suppliers of all facilities and areas and rights of way, including facilities and areas jointly used such as those at airfields and ports.

Another controversy is the status of Koreans employed by the U.S. armed forces as the agreement between the two countries severely restricts their collective action in consideration of their special duty of serving inside military compounds.

Failure of any recognized employee organization or employee to abide by the decision of a joint committee comprising both Korean and the U.S. parties on any dispute shall be considered just cause for the withdrawal of recognition of that organization and the discharge of the employee, the agreement stipulates.

It also says that "neither employee organizations nor individual employees shall engage in any practices disruptive to normal work requirements unless a period of at least 70 days has elapsed after the dispute is referred to the joint committee."

The SOFA came into force in February of 1967 and will remain in force unless the Mutual Defense Treaty is terminated by agreement between the two countries.

RDP Demands Revision of Accord

SK1008001188 Seoul THE KOREA TIMES in English
10 Aug 88 p 2

[Text] The opposition Reunification Democratic Party yesterday demanded a wholesale revision of the basic accord regulating the status of U.S. armed forces personnel in such a way as to honor the mutual sovereign rights of Korea and the United States.

RDP spokesman So Chong-won said in a statement that the party was satisfied with the government's announcement that it is pushing for revision of the Status of Forces Agreement (SOFA) "although the step is a little belated."

He called on the government to take the initiative in the rewriting of the agreement in a "positive and self-reliant manner," but without going beyond internationally accepted practices.

The spokesman also urged the government to secure the right of jurisdiction over U.S. forces personnel involved in crimes and to clarify matters concerning the expenses the government pays to keep U.S. forces stationed in Korea.

The SOFA has long been criticized for its clauses unfavorable to the Korean side. For example, Korea is not allowed to investigate or exercise jurisdiction over members of the U.S. forces involved in an ever-increasing number of crimes in Korea.

Daily Examines U.S. Forces

SK1008063088 Seoul TONG-A ILBO in Korean
13 Jun 88, p 5

[Article by Yuk Chong-su: "Concern Focusing on ROK-U.S. Military Issues"]

[Text] (Editor's note: Key military issues are emerging as new "areas of concern" between Korea and the United States. Three of these are the problems of troop withdrawal, transfer of operational command, and defense expenditure burden sharing. Recently, antigovernment attacks by university students, dissident organizations, and other quarters of society have included slogans that refer to these issues. These questions were key items discussed by the ROK and the United States at the 20th annual ROK-U.S. Security Consultative Meeting (SCM) held in Seoul on 7-9 June 1988. Here we review the historical background and details of these key military questions and of the Korean and American views of each issue, along with outstanding areas of disagreement, and present the outlook for a possible new bilateral military relationship keyed to these areas.)

Transfer of Operational Command [subhead]

The problem of operational command between Korea and the United States goes back to 15 July 1950, 20 days after the start of the Korean War.

On that day, Korea's President Syngman Rhee sent an official communication to the commander in chief (CINC) of the United Nations Command (UNC), General MacArthur, conveying his intent to turn "operational control" of the ROK Armed Forces over to the UNC. General MacArthur 3 days later replied that he would accept this operational control, and UNC commanders since that time have exercised operational

control over the Korean Armed Forces. Prevailing concepts at the time made no clear distinction between operational control and command authority. From then to the present, the issue of operational command authority has been a continuous source of controversy.

It is only too natural for a sovereign state to exercise exclusive command and operational control of its own armed forces. Therefore, on the grounds of national sovereignty, today there are those who insist that the operational authority transferred to the United States during the Korean war must be returned immediately.

Military officials and academic experts point out, however, that not only has the term "operational authority" been erroneously used for "operational command authority," but that the ROK-U.S. combined military operations structure has been the object of gross misunderstanding.

"Command authority" over the Korean Armed Forces resides irrevocably with the ROK as part of our national right to govern. The commander of the ROK-U.S. Combined Forces Command (CFC)—who concurrently serves as commander of United States Forces in Korea (USFK)—is afforded only "operational authority" limited to the execution of combined operations, these experts say. That is, "command authority" is the general right to issue orders necessary to manage the military, while "operational control" is a restricted right exercised only during operations. These experts say that possession of operational control by the CINC CFC does not mean that the CINC also possesses command authority, and that, therefore, a "concession of national sovereignty" is not involved either.

The operational control President Rhee delegated in his official letter was reconfirmed at the ROK-U.S. summit meeting held in November, 1954, and was ratified again in the "Agreed Minutes Concerning Military and Economic Aid to the Republic of Korea" concluded in talks between Foreign Minister Pyon Yong-tae and U.S. Ambassador to Korea Ellis Briggs in August, 1955.

The main point of these minutes are that the ROK Armed Forces shall remain under the operational control of the CINC UNC during the period that the UNC remains responsible for Korean national defense.

This was altered by means of a joint ROK-U.S. statement issued after the 16 May 1961 military coup d'etat: "The CINC UNC shall exercise operational control only in defense of Korea against a communist invasion."

An epochal change in operational control came on 7 November 1978 coincident with the establishment of the ROK-U.S. Combined Forces Command (CFC). At that time, the CINC UNC assumed responsibility solely for armistice affairs, and operational control was given to the CINC CFC.

This is considered an epochal change because, up to that time, the CINC UNC exercised the right of control unilaterally, whereas after 7 November 1978, in fact, it was exercised jointly by the ROK and the United States. The concept of operational control has developed not into a unilateral exercise of authority, but into a cooperative relationship to execute combined operations.

Since the CINC CFC is the U.S. general who also serves as CINC USFK and the deputy CINC CFC is a Korean Army general, a hasty glance may result in the misperception that the ROK-U.S. relationship in the CFC is a perpendicular one. However, a ROK-U.S. bilateral military committee is above the CINC CFC and issues strategic directions to him.

Moreover, ROK military units under CINC CFC's control are limited to those specific units centered on front-line combat duty. Key rear-area units like the Capital Defense Command and the Special Warfare Command are excluded. Moreover, units under CINC CFC's operational control can be moved by the ROK Armed Forces merely upon advance "notification," not "approval." This type of combined operational system is the same as the quintessential collective security structure, NATO.

Despite this arrangement, the operational control exercised by the CINC CFC has been misunderstood as an absolute "operational command authority," and when it was asserted that operational control must be returned immediately to the sovereign nation of Korea, it was reported that some U.S. military experts were of the view that the unnecessary misunderstanding could be solved by giving the CINC CFC position to a Korean general officer.

It was reported that at the recent 20th annual ROK-U.S. SCM, increasing the authority of the Deputy CINC CFC—a position held by a Korean general officer—and the deputy commander of the air component command was raised in connection with a larger discussion of measures to develop the CFC command structure.

Moreover, 10 items related to the command structure were selected at the SCM for joint study, and the results of this study will be reported to the SCM next year. Of these 10, one was the operational control issue. Many are of the opinion that if the Olympic games conclude successfully, our security situation will develop in a way extremely favorable for the ROK, and that if this proves to be the case, the possibility is high that the operational control issue will then be addressed in a serious manner.

Concerned sources, however, predict that the actual timing of a transfer of operational control will come after 1990. In testimony given before an executive session of the House of Representatives in March, 1988, Assistant

Secretary of Defense for International Security Affairs Richard Armitage said that "The plan to transfer operational control is designed for implementation after 1990."

In the event that the CFC loses operational control of the ROK Armed Forces, stationing U.S. forces in Korea will lose meaning. Thus, the transfer of operational control amounts to setting the stage for the withdrawal of U.S. forces. The transfer of operational control, then, would clearly seem to amount to a preparatory stage for the withdrawal of U.S. forces from Korea.

Withdrawal of U.S. Forces from Korea [subhead]

Since the "Nixon Doctrine" of 1969, the issue of withdrawing U.S. forces has been a constant subject of interest and argument. Withdrawal is not a new issue, but recently voices from the U.S. Congress and the American academic community have called for withdrawal on the grounds of concern about the possibility of automatic U.S. involvement in a war on the peninsula and on the grounds of an excessive U.S. defense burden. The contest between Republican Vice President George Bush and Democratic Massachusetts Governor Michael Dukakis for the U.S. Presidency brings the withdrawal issue once again to the forefront as a key issue in the presidential campaign.

In Korea, meanwhile, campus demands for unification include assertions that the presence of U.S. forces in Korea comprises a major "infringement of sovereignty" and an "impediment to reunification," and some therefore call for the withdrawal of U.S. troops.

The agreed joint position of the ROK and U.S. Governments on withdrawal is that "the U.S. forces will leave when the Korean people want them to leave." This position was reaffirmed both in the arrival statement of the chief American delegate to this year's SCM, U.S. Secretary of Defense Frank Carlucci, and again in a joint statement issued by both governments at the close of the SCM.

It is absolutely certain that at some point the ROK and U.S. Governments must move to officially solve the withdrawal issue, because, at a minimum, no official controversy exists with regard to the essentially temporary nature of U.S. forces in Korea. It is impossible to say whether a withdrawal will occur in the 1990's as many scholars and defense experts from both countries believe, or whether withdrawal will be delayed until after the year 2000, as Defense Minister O Cha-pok recently stated, prefacing his statement with the observation that his remarks reflected only his personal opinion.

What is clear, however, even by way of general analysis is that the USFK is the "product of mutual interests" of the two countries and therefore is of a nature that makes reduction or withdrawal possible at anytime.

To review past examples in this regard, immediately after the founding of the ROK, the Korean Government strongly opposed the withdrawal of U.S. forces because of the possibility of invasion from North Korea, but the United States underestimated the strategic value of the Korean peninsula and pushed through withdrawal in June, 1949, thus providing the opportunity for the North Korean invasion, which occurred exactly 1 year later.

American forces that participated in the Korean war continued to be stationed in Korea after the war ended until they met a turning point in July, 1969, in the form of President Nixon's "Nixon Doctrine," also known as the "Guam Doctrine." Weary of the war in Vietnam and riding domestic anti-war public opinion, the United States began to limit its military involvement overseas under the motto that national defense was each country's own duty, "your country's defense is your country's responsibility."

Troops of the U.S. 7th Division in Korea were withdrawn under this doctrine in 1971. This withdrawal played a key role in providing President Park Chung-hui the opportunity to inaugurate the yushin era the following year under the slogan of "self-reliant national defense." In 1975 U.S. forces withdrew completely from Vietnam, triggering the communization of that country.

In 1976, President Carter announced another phased withdrawal of American forces and U.S. nuclear weapons from Korea. Eventually the Carter withdrawal policy foundered on the opposition of the U.S. military establishment, but thereafter Korea was obliged to prick up its antennae during each U.S. presidential election campaign to determine whether policy concerning the stationing of U.S. troops in Korea would change.

Fortunately, we are told that in this year's election both presidential candidates, Bush and Dukakis, support the continued stationing of U.S. forces in Korea. In any event, although 35 years have passed since the armistice was signed, the basic role of USFK remains unchanged: To "deter another invasion" by North Korea and to "repel the invasion" in the event deterrence fails.

The USFK executes this mission against the backdrop of perceptions that U.S. troops in Korea are absolutely necessary not only to guarantee the security of the ROK, but also to maintain peace in the Northeast Asia region. Because stability in this region coincides with U.S. national interests, the USFK is also described as a "symbol of U.S. national interests."

Despite the fact that the USFK plays a positive role as a "force deterring war" both on the Korean peninsula and beyond in the Northeast Asia region, some dissident figures, including student activists and liberal intellectuals, continue to advocate the withdrawal of U.S. forces. Many suggest that this phenomenon exists because of the negative influence of the May 1980 Kwangju incident on perceptions of the USFK.

Anti-American sentiment began to flourish as a result of the perception that the United States "tacitly approved" the dispatch to Kwangju of Korean military forces, which mercilessly suppressed Kwangju demonstrators. Some assert that even after Kwangju the U.S. continued to uphold the Korean "military dictatorship," giving rise to increasing demands for the withdrawal of U.S. troops.

Irrespective of the objective justness of demands for the withdrawal of the U.S. forces, it is a fact that such demands are viewed with suspicion and rejection by the Korean people in general because such appeals coincide with North Korea's perpetual and unchanging demand for U.S. troop withdrawals. There is some small aspect of justness to the charge that stationing U.S. troops in Korea is an infringement of national sovereignty, but in our situation we are unable to ignore the "tangible benefits" the USFK helps provide by way of protecting both our national existence and the growth of liberal democracy in Korea.

Thus, the popular consensus is that the proper time for the withdrawal of the U.S. troops is when democracy flourishes, when we have achieved a state of self-reliant national defense, and when we have put in place a structure of peaceful coexistence through dialogue with North Korea. The overwhelming perception is that the withdrawal of the U.S. forces will occur during or after the latter half of the nineties.

Defense Burden Sharing [subhead]

It can be said that the United States began to apply the concept of defense burden sharing to Korea in 1978, coincident with the establishment of the Combined Forces Command. During the intervening years, the Korean share of CFC's upkeep expenses has steadily increased, to where Korea now pays 38 percent of these costs and the United States pays 62 percent.

The United States did not undertake full-fledged requests for burden sharing until 1986, when aid in the form of foreign military sales credits ended. After that time, defense burden sharing became the main topic of interest by the United States at Security Consultative Meetings, and the United States raised burden sharing in a variety of forms at this year's SCM.

At the SCM, the U.S. side's three major demands were for: 1) \$60 million in CDIP (ROK-U.S. Combined Defense Improvement Projects); 2) \$20 million in

repairs for U.S. naval aircraft located in Northeast Asia as an offset for the U.S. military presence in the Persian Gulf; and 3) economic assistance to the Philippines.

Korea has paid \$34 million per annum CDIP expenses over the past few years, so the CDIP request did not represent a new category of burden sharing. The other two requests, however, amounted to entirely new categories of burden sharing and therefore drew considerable attention. The Korean side contended that the other two categories went beyond the principle of burden sharing because they were not "directly related to the defense of the Korean peninsula."

The U.S. attracted international interest in this regard by attempting to tug Korea into areas where it had no military interests, that is, to attract Korea into the arena of worldwide strategic interests.

A review of the various types of assistance Korea has provided toward the USFK upkeep expenses reveals that the United States is overestimating Korean economic strength and demanding a level of defense burden sharing that is excessive when compared to that provided by other countries.

A concrete comparison of burden sharing reveals the following figures. In 1987, Korea provided \$1.9625 billion in burden sharing for 41,000 U.S. servicemen; in 1988 Japan will provide \$2.5 billion for 45,000 troops; while West Germany provides an average of \$5-6 billion each year for 240,000 servicemen.

However U.S. pressure on Korea for increased defense burden sharing is not over. In fact every prospect is that such pressure will increase in the future. In this year's SCM, the U.S. side is said to have explained defense burden sharing by saying that "the United States is not trying to transfer to Korea responsibility for expenses that the U.S. should assume. We are saying that we should strive together for our common defense."

Some point out, however, that this argument is unconvincing in light of the U.S. request at the SCM for maintenance support for U.S. naval aircraft in Northeast Asia as an issue keyed to U.S. military presence in the Persian Gulf, since Korea is not the only country with interests in the Persian Gulf lines of communication used to import petroleum products.

Defense burden sharing will remain an area of intense interest because there is a deep correlation at the bargaining table between burden sharing and Korean efforts to boost defense industry technical transfers, and advancing into the U.S. defense industry market.

Burma

Violence Increasing; Foreigners Attacked

Soldiers Fire at U.S. Diplomat

BK1008111988 Hong Kong AFP in English 1106 GMT
10 Aug 88

[Text] Bangkok, Aug 10 (AFP)—Burmese soldiers fired at the car of a U.S. diplomat who was trying to aid a demonstrator in Rangoon as violence escalated there, diplomatic sources said here Wednesday.

The diplomat was not hurt in the incident Tuesday [9 August], the sources said.

They said the U.S. Embassy was effectively closed because there were so many demonstrators swelling around the site in central Rangoon that it cannot be reached.

U.S. Embassy officials here refused to comment on the report.

Sources said the Burmese Foreign Ministry has warned diplomats and their families to be very careful when going out in Rangoon, where antigovernment demonstrations have continued despite a curfew and the imposition of martial law.

Meanwhile, there were reports in the press here that Burmese troops struck a British military attache in Rangoon with rifle butts.

The reports could not be immediately confirmed.

100 Believed Killed; 1,500 Held

BK1008045288 London BBC World Service
in English 0015 GMT 10 Aug 88

[From the "Radio Newsreel" program]

[Text] The Burmese capital Rangoon is under curfew as thousands of people continue their protest against the country's new leader, Sein Lwin, the man blamed for the suppression of student unrest earlier in the year. As well as the disturbances in Rangoon, there have been widespread antigovernment demonstrations throughout the country. As many as 100 people are believed to have been killed in the past 2 days of protest and 1,500 people detained. Our correspondent in the region is (Christopher Gunness):

[Begin recording] Rangoon is reported to be calm after the state radio announced the curfew from 2000 in the evening until 0400 in the morning. There is a heavy military presence on the streets but sources in Rangoon say that further antigovernment demonstrations are expected. The authorities have also banned public meetings and speeches. Earlier, thousands of protesters led by students took to the streets, burning cars, destroying shops and attacking nearby buildings. Security forces

fired sporadically into the crowds, and according to official sources, 5 people were killed in Rangoon and 55 injured. Eyewitnesses believe these figures are extremely conservative.

Violence has also been reported in nearly 30 provincial towns. The most serious incident occurred in Sagaing, a small town near Mandalay, about 400 miles north of the capital. Over 30 people are said to have been killed when a crowd of over 5,000 people attacked a police station. According to unofficial reports, there was also violence in Mandalay. Dozens are said to have been killed, but there are no further details. The main source of opposition to the government comes from the country's student population. They led protests in March and June which resulted in hundreds of killings by the security forces. The man they believe personally ordered the police action against them then is the country's new chairman, Sein Lwin. The students have said that the present unrest will continue until he is removed from power. [end recording]

AFP Updates Situation

BK1008045988 Hong Kong AFP in English 0438 GMT
10 Aug 88

[Excerpts] Bangkok, Aug 10 (AFP)—Rangoon's martial law government has arrested almost 1,500 people, Burmese state radio has said, in two days of anti-government riots that have left at least 40 people dead, according to official Burmese news reports. [passage omitted]

Rangoon-based diplomats reached from Bangkok said a crackdown on widespread street demonstrations in Rangoon had left as many as 200 people dead since the protests began Monday against hardliner Sein Lwin, who on July 23 replaced General Ne Win as Burmese strongman. [Passage Omitted]

Travelers arriving in Bangkok from Rangoon late Tuesday said government troops had opened fire several times on thousands of demonstrators milling in the streets of the capital.

The 40 officially confirmed dead by state Burmese news agencies were killed when troops opened fire on demonstrators in the capital and at least four of 26 other towns throughout Burma where there have been massive demonstrations since Monday. [passage omitted]

The travellers said that in Rangoon Buddhist monks had joined the demonstrators, most of them youths and university students whose schools have been closed since riots in June. [passage omitted]

Forces Fire Upon Suburban Crowd

BK1008085488 Hong Kong AFP in English 0838 GMT
10 Aug 88

[Excerpt] Rangoon, Aug 10 (AFP)—Security forces opened fire on a crowd in an eastern suburb of Rangoon early Wednesday while crowds converged in the center of the capital in defiance of a ban on public gatherings, eyewitnesses said.

Security forces opened fire on a crowd gathering near a market-place in the suburb of South-Okkalapa, the witnesses said. No further details were immediately available. The report has not been officially confirmed.

In the center of Rangoon which has been under martial law since August 3, several hundred demonstrators had gathered, holding aloft black flags, which are symbols of mourning, as well as Burmese flags, the witnesses said.

Security forces had earlier Wednesday taken up positions at various intersections in Rangoon apparently to enforce a ban on illegal gatherings imposed here Tuesday after two days of demonstrations, witnesses said.

State news agencies here said 40 people had died in anti-government riots here and outside Rangoon Monday and Tuesday. State radio said Rangoon's martial law government had arrested almost 1,500 people over the two days.

Diplomatic sources here, quoting witnesses, said the death toll in Rangoon since Monday was more than 70, including several monks and school children who had joined the demonstrations.

(Rangoon-based diplomats reached from Bangkok Tuesday said the toll could be as high as 200.)

Students who are in the forefront of the protests and are now supported by a wide spectrum of the population have demanded that new leader Sein Lwin step down, diplomatic sources here said.

They want a referendum on one-party rule as suggested by former ruler Ne Win before he resigned July 23 and the release of detained students and political figures including noted dissident Aung Gyi, the sources said quoting students.

The students also demand the immediate revoking of martial law, a stop to shooting by security forces, compensation for the injured and dead, an independent student union, and a cut in the cost of living, the sources said. [passage omitted]

More Than 100 Die in Rangoon

OW1008131388 Tokyo KYODO in English 1022 GMT
10 Aug 88

[Text] Tokyo, Aug. 10 KYODO—More than 100 people were killed and nearly 1,000 others were wounded in Rangoon on Wednesday as Burmese security forces fired on them, an informed source there said in a telephone interview with KYODO News Service in Tokyo.

The source said, the security forces raided a general hospital in the Burmese capital to search for those injured during demonstrations Tuesday.

The forces fired on doctors and nurses who protested their action, the source said.

The security forces later used automatic rifles and machine guns to disperse demonstrators in the capital city, killing and wounding many citizens, the source said.

The source said similar shooting incidents took place in Mandalay and other provincial cities and it was impossible to know how many people were killed and injured.

In Rangoon on Wednesday, youths threw stones at traffic signals to destroy them and tried to prevent movements of military vehicles by placing concrete blocks on the streets, the source said. At the general hospital where many people injured in clashes with troops were being treated, security forces fired on doctors and nurses who tried to prevent them from taking away the injured, the source said.

The source said the security forces also broke into a nurse dormitory and opened fire on those inside the building.

Other security forces personnel fired on demonstrators and other citizens from trucks in Rangoon, resulting in many deaths and injuries, the source added.

Rangoon Policemen Beheaded

BK1008141488 Rangoon Domestic Service in Burmese
10 GMT 10 Aug 88

[Text] Disturbances and acts of violence continued in Rangoon City today. Groups of violent mobs destroyed state property extensively in various places and committed acts of violence to the extent of brutally beheading members of the People's Police Force.

In destroying state property they overturned and burned down vehicles from buslines, burned down family quarters of police stations, and destroyed traffic lights and signal switchboards, railway lines, cooperative warehouses, petrol pumps, and telephone posts.

Furthermore, the demonstrators destroyed a garment factory, a department store, a township people's council office, and a police station in Thaketa. They destroyed and burned down family quarters and police stations in North Okkalapa, South Okkalapa, and Thaketa.

The members of the security units who were brutally beheaded were Kyar Myint, police corporal in charge of local security from a police station in South Okkalapa; Nyunt Maung, police sergeant; and Than Maung, police corporal from a police station in North Okkalapa. It was also learned that U Tin Ngwe, a civilian from North Okkalapa, and a member of the Armed Forces who is a member of the security unit, were killed. They also captured Hla Ohn, police corporal, from North Okkalapa police station.

As of the time of this report, members of the security units in charge of maintenance of law and order and security within the jurisdiction of the Rangoon Command's military administration opened fire 15 times to disperse crowds. Reports are still being compiled for an accurate account of the number of casualties.

In the afternoon, two motor vehicles from the security unit together with an ambulance carrying a doctor, a police officer, and six patients went to the emergency department of the Rangoon General Hospital. After the ambulance entered the emergency department, the security vehicles drove out of the hospital compound toward the Dental College away from violent mobs and guarded those who sent the patients. At that time, two groups of mobs attacked the security vehicles from two sides. At that point, the members of the security unit were forced to open fire. The gunfire wounded one male nurse and three female nurses.

According to incomplete reports received today, 33 people died and 59 were wounded.

A total of 113 violent rioters and looters were detained today and they are being interrogated.

Protests in Moulmein, Mandalay

*BK1008142488 Rangoon Domestic Service in Burmese
1330 GMT 10 Aug 88*

[Text] Demonstrations were held this morning in several towns, but calm was reported by evening time.

In Moulmein, U Hla Myint, the station commander of the (Daingwungwin) police station, and six policemen opened fire at a mob of demonstrators to disperse them. The demonstrators confiscated guns from the security unit members and attacked the (Daingwungwin) police station with guns and stones, killing a policeman.

It was learned that at the request of the State Sangha Mahanayaka [body of senior monks], the State People's Council, and the commander of the People's Police Force, the demonstrators turned in their confiscated guns to trustees of Kyaikthok Pagoda.

Demonstrations were also reported in Mandalay today, but it has calmed down at the request of the members of the Sangha [monks].

Bo Yan Naing Denies Distributing Papers

*BK1008020788 Rangoon Domestic Service in Burmese
0630 GMT 10 Aug 88*

[Text] Regarding rumors that Bo Yan Naing, a member of the "30 Comrades" [who underwent training in Japan during the struggle for independence], was under arrest and in connection with papers that are being distributed under the name of Bo Yan Naing, leader of the Patriotic Revolutionary Front, our correspondents interviewed Bo Yan Naing at his home on University Avenue yesterday afternoon.

During the interview Bo Yan Naing said although he had heard about reports that papers were being distributed in his name, he did not know anything about the Patriotic Revolutionary Front, nor was he the leader of that organization. He believed it was possible that somebody had assumed his name as a nom de plume. He said he was already in his seventies, his health was not good, and he simply wanted peace of mind. However, if his services were needed for the country he was willing to help the government.

Regarding the papers being distributed under his name, he said he did not wish to make any comment because he was not involved in the matter.

Bo Tar Ya Denial

*BK1008150088 Rangoon Domestic Service in Burmese
1330 GMT 10 Aug 88*

[Text] A correspondent from the BURMA NEWS AGENCY [NAB] today interviewed Bo Tar Ya now residing in No 4 Ward in Yankin in connection with rumors that he, a member of the "30 Comrades" [group of World War II heroes], had been arrested and was connected to leaflets being distributed in the name of the public relations officer of the Patriotic Revolutionary Front.

During the interview, Bo Tar Ya, a member of the "30 Comrades" said that he is now 72 years and is not well. He suffered a stroke some 4 and 1/2 years ago and he suffered another stroke 2 years ago. He was surprised to see the document on the declaration of the Patriotic Revolutionary Front which was shown to him by his nephew. He said he would not engage in such activity

and that he had never heard of the Patriotic Revolutionary Front. He said he had lived peacefully and was angered by the document of the Patriotic Revolutionary Front.

He said his name was being misused. He said he had never thought of engaging in such activity. He believed that the document was the work of those unscrupulous elements in Rangoon behind the students. He believed they are opportunists who mingle among the students. He said he was not claiming to be correct, he was just giving his opinions.

He said he had lived peacefully and correctly.

Further elaborating on the rumors that Bo Tar Ya of the "30 Comrades" had been arrested, he said he was once very impressed with the capitalist BBC, but he now realized that it had been broadcasting false reports. He said he laughed at it a lot. He said his whole family had been laughing at it. He said his impression of the BBC had swung to the other extreme as he now looks down upon it.

Brunei, Malaysia & Singapore

Malaysia

Newsman Briefed on Son Sann, Mahathir Talks
BK0908071388 Kuala Lumpur International Service
in English 0600 GMT 9 Aug 88

[Text] Prime Minister Datuk Sri Dr Mahathir Mohamed has expressed the hope that the formation of a working group during the Jakarta informal meeting would hasten a political solution to the Kampuchean problem. Foreign Ministry's deputy secretary general, Datuk Abdul Majid Mohamed, has said the prime minister hopes the efforts of the working group would help bring about an independent, sovereign, and neutral Kampuchean Government soon.

Datuk Abdul Majid was briefing newsmen on the talks between the prime minister of the Coalition Government of Democratic Kampuchea, CGDK, Mr Son Sann, and Datuk Sri Dr Mahathir in Kuala Lumpur.

Meanwhile, the prime minister of the Coalition Government of Democratic Kampuchea, Mr Son Sann, has reiterated that the Vietnamese troops must withdraw from Kampuchea for a peaceful solution to take place. The CGDK prime minister said, in order to end the economic sanctions by the peace-loving countries, Vietnam must withdraw its occupying forces from Kampuchea. He added that an international control commission and an international peacekeeping force must be set up to ensure that Vietnamese troops withdraw and at the same time to prevent human rights abuse.

Singapore

'Text' of Lee Kuan Yew's National Day Speech
BK0908114088 Singapore THE STRAITS TIMES
in English 9 Aug 88 p 20

['Text' of Prime Minister Lee Kuan Yew's 1988 National Day Speech—dated 8 August]

[Text] We have done better than expected for the first half of 1988. We made 11.1 percent growth, the highest since 1975 for any half-year. The growth was broad based. Productivity growth was 4 percent, lower than the 4.3 percent for the same period last year.

But this is normal because productivity growth is always faster in the initial phases of an economic recovery. The Ministry of Trade and Industry forecast 9 percent for the whole year because growth may be slowing down. If the slowing down is not too great, we may exceed 9 percent. In that case, at the end of this year, besides that 13th-month bonus (or Annual Wage Supplement), the government will improve on last year's extra one-third month variable bonus.

We want to move to flexi-wage. We should keep the basic wage relatively stable, and adjust for good or bad years by increasing or reducing the annual bonus. You remember the recession in 1985, when we have a negative growth of 1.6 percent.

Fortunately, there was the 25 percent employers' contribution to CPF [Central Provident Fund] to cut back to 10 percent. Because we took corrective action, the recession turned and we made a small growth of 1.8 percent in 1986. Last year, 1987, we recovered with 8.8 percent growth. It looks so easy in retrospect. But it was not easy to make hard decisions when we were experiencing the difficulties.

The first decision I took was correct. That was to put the second-generation leadership in charge and test them. They formed an Economic Committee of 12 from the public and private sectors.

The solutions they recommended were published in their report of February 1986. The second-generation ministers decided to reduce fees, taxes, JTC [Jurong Town Corporation] rents, PUB [Public Utilities Board] rates, PSA [Port of Singapore Authority] and airport charges. That was the easy part, giving money back. The difficult part was to take money away from workers by cutting wages and holding wage increases down.

They tackled the problem head-on. CPF contributions by employers were cut from 25 percent to 10 percent of wages. And they successfully persuaded the unions to exercise voluntary wage restraint for two years. Very few countries have tried, much less succeeded in doing this.

The unions and the workers have done their part. Now that the economy has turned around, the second generation ministers are doing their part. They have decided to restore CPF rates gradually to 40 percent (20 percent from the employer, 20 percent from the employee).

The Government, as a major employer, has restored pay-cuts, which together with the annual increment and the 2 percent CPF increase, amounted to about an 8 percent increase in the wage bill. The Government has set an example. We consider any settlement between 6 percent and 10 percent (including the 2 percent employer's CPF) as reasonable.

At the same time, we are moving into a flexi-wage system. We propose to increase the end-of-year bonus when times are good, and the opposite when times are bad. Other employers should do likewise, or work out their own flexi-wage system.

The way Goh Chok Tong and his team have got Singapore out of the recession and brought us back to steady growth has increased confidence of investors at home and abroad. Let me give you an example.

In October 1986, I was in Kyoto to meet 20 top industrialist investors. One of them came up and said to me that he had met and spoken to one of my younger Cabinet colleagues earlier in May. Because of that, he had decided to invest in Singapore. I knew what he meant. He meant that I was over 63 years old then that his investment, which is capital-intensive and high value-added, would take many years to amortize, or get his money back. Having met my younger colleague, he was reassured that he would have many years to recover his investment and make his profits.

This is the nub of the problem that my old guard colleagues and I had to solve. The increased investments over the last two years, I believe, is a vote of confidence by investors. By the mid-70s, Singapore had become stable and prosperous.

It was difficult to get able young men to give up promising careers to go into politics. To shake them from the belief that the old guards could carry on indefinitely, I named a target date for a new team to take over, when I reach 65.

For more than 12 years, we have been screening, selecting and testing potential leaders. A younger team is in charge.

They have worked together for many years and have become a team. But however careful the preparations, when the change takes place, and I leave the government, it will still be unsettling for a while. The next government is going to be more collegiate or more of a team.

In ordinary times this will make little difference. But in stormy weather, and there are bound to be storms, co-ordination will have to be very close for a collegiate or team leadership to respond swiftly, for instance, to decide either to change course and avoid the storm, or to steer the ship through the eye of the storm.

I have discharged my responsibility to provide for continuity. Now let me talk about your responsibility. This is my 30th year as Prime Minister. I think I know Singaporeans well. Let me share with you my concern. Many younger Singaporeans believe that there will always be an honest, fair and capable government. They are wrong.

Older Singaporeans, who have experienced the Lim Yew Hock government before 1959, know better. Look at other countries. See how much money is needed for elections elsewhere. Honest and competent government is rare in new countries because it is difficult to achieve.

It is only because the PAP [People's Action Party] old guards have insisted upon and enforced high standards, and chosen men and women of integrity that ministers and MPs have remained honest and competent. Those who have not, have had to pay the price.

This is special to Singapore. It is a precious asset of immense value for economic growth and political stability. And because the Government has never sought to deceive people into believing that they will get something for nothing, everybody is self-reliant and the country's finances are sound.

Now the Government proposes that you protect your collective savings by requiring an elected President to agree to it before it is spent. This will prevent any quiet spending of your savings.

The fact that this Government has not raided the reserves whenever revenue was short, is no guarantee that it may not happen in the future. We should put your CPF savings, which are a big part of the reserves, out of temptation's way.

Another proposal is that an elected President must consent to appointments of members of the Public Service Commission and other more important statutory boards. This will be a check on any government who wants to replace the current incumbents with more pliable men.

The most important appointments are those to the Public Service Commission (PSC), for the PSC appoints the members of the Civil Service and promotes them. Such a provision will ensure that sound and able men are appointed.

Now let me talk of the recently passed Town Councils Act, 1988. This Act will put the MP in charge of his constituency town council.

The honesty and competence of your MP will then directly affect you because he will be in charge of the maintenance and administration of your housing estate, instead of the HDB [Housing and Development Board].

He will control a budget of about \$3 million yearly for a single member constituency or \$9 million for a Group Representation Constituency (GRC).

This sum will increase as more functions like car parks, hawker centres and markets are handed over to town councils. If your MP is not honest, or not competent, you will know it soon enough.

And if your estate is poorly run, repairs slow, and lift maintenance poor, you will be inconvenienced and, worse, the re-sale value of your flat will be affected.

So you had better take a careful look at the persons or the three persons, in a GRC, who seek to represent you. Your personal well-being will be at stake when you choose your MP.

This change will make for careful and better selection for MPs by you and by political parties, and will be good for Singapore.

In new countries, democracy has worked and produced results only when there is an honest and effective government, which means a people smart enough to elect such a government. Remember, elected governments are only as good as people who chose them.

Cambodia

Foreign Ministry Statement on Thai 'Aggression'

BK0908144088 Phnom Penh Domestic Service
in Cambodian 1300 GMT 9 Aug 88

["Statement by PRK Foreign Ministry spokesman" issued on 9 August]

[Text] The Thai authorities have lately carried out many hostile activities against the PRK by violating many times the PRK's sovereignty and territorial integrity.

After firing all kinds of artillery shells on the PRK's Hill 310 and occupying this point by hoisting the Thai flag, the Thai authorities moved on to occupy Hills 318 and 391 inside the PRK's territory. They have also strengthened their forces to commit aggression against Cambodian territory.

On 22 July 1988, Thailand fired 1,495 various artillery shells on the O Bok and Chan Kraham sectors and dispatched A-37 aircraft to spy over the area. On 25 July, Thailand fired 200 75-mm DKZ and 60-mm mortar shells which landed north of the PRK's Hill 243 and also sent an F-5 aircraft to make a reconnaissance flight from west to east over this sector. On 26 July, Thailand sent an F-5 aircraft to make a reconnaissance flight from west

to east over the Kop-(? Kouk Khpos) sector, penetrating up to 10 km, and ordered a reconnaissance flight by an F-111 [as heard] aircraft from west to east over the sectors Ampil, Pong Toek, and Chan Kraham, between 9 and 10 km inside Cambodian territory.

It is worth noting that the Thai authorities have dispatched A-37, F-5, F-111 [as heard], and L-19 aircraft to make frequent reconnaissance flights over Cambodian territory. At the same time, the Thai Navy continuously violated the PRK's territorial waters.

These acts by the Thai authorities run counter to the current trend developing in the region and in the world for peaceful coexistence, security, friendship, good neighborliness, and cooperation, and could cause the regional situation, which is moving toward reconciliation, particularly after the informal meeting in Jakarta, to swerve toward tension again. The Thai authorities' refusal to abandon their hostile attitude toward neighboring countries is not only detrimental to the Cambodian people's interests but also to those of the Thai people themselves and people the world over as well. It also runs counter to the aspiration of the two people, Cambodian and Thai, who only want to have peace and coexist as good neighbors.

The PRK Government and people firmly denounce the provocative acts of the ultra-rightist Thai authorities against the PRK territory, demand that Thailand immediately put an end to these hostile activities, and suggest that the Thai authorities respond positively to the many goodwill and constructive proposals of the PRK aimed at building the Cambodian-Thai border into one of peace and friendship. The PRK Government and people reaffirm their determination to defend their independence, sovereignty, and territorial integrity. The Thai authorities should be held responsible for all consequences resulting from their hostile and provocative acts.

[Dated] Phnom Penh, 9 August 1988

SPK Reports Sihanouk Stand on Khmer Rouge

BK1008084588 Phnom Penh SPK in English
0425 GMT 10 Aug 88

[Text] Phnom Penh SPK August 9—Prince Norodom Sihanouk has described the Coalition Government of Democratic Kampuchea as a screen behind which Khmer Rouge can hide its unacceptable nature.

His remark, quoted by AFP, was made at refugee camp near the Thai-Kampuchean border on August 7. For such a reason, he said, he would "seek to vacate the Kampuchean seat in the United Nations."

Referring to the Khmer Rouge-controlled coalition, the prince declared that he would "not play such a game anymore."

He said Washington, "Let's me know that I no more need to be with the Khmer Rouge, the USA is now willing to help."

"Strong Sihanoukist forces allied with the army of the Phnom Penh government could keep the Khmer Rouge in check after Vietnamese withdrawal even without an international peace-keeping force," noted Sihanouk.

Prince Norodom Sihanouk whose 14 close relatives were massacred by the Pol Pot soldiers while they ruled the country from 1975-79 is 66 years old. He said he expected to be back in Phnom Penh for his 67th birthday in October 1989. He and PRK Chairman Hun Sen have intended to meet again in Paris in November to settle outstanding issues concerning a political solution to the Kampuchean conflict.

AFP quoted the prince as saying that his troops were no longer fighting the Phnom Penh Government and he would form a bilateral coalition with Mr. Hun Sen if necessary.

"All the non-Khmer Rouge movements have to unite in order to defend themselves and defend their country against the Khmer Rouge threats," Sihanouk stressed.

He further noted that China had not changed its position in favour of Khmer Rouge.

Speaking on that occasion, British Prime Minister Mrs. Margaret Thatcher, who went together with Prince Sihanouk to the border refugee camp, stated: "We must not allow the return of the murderous Pol Pot regime in its place after Vietnamese withdrawal. No civilized country could accept that."

She is quoted as saying that "the five permanent members of the UN Security Council should take the lead on the settlement of the Kampuchean war as they have in getting an Iran-Iraq ceasefire." The British leader said "Today the eyes of the world are on Kampuchea."

Heng Samrin Returns from Nicaragua, Cuba
BK1008091288 Phnom Penh SPK in English
0435 GMT 10 Aug 88

[Text] Phnom Penh SPK August 9—A high-level party and state delegation of the People's Republic of Kampuchea returned here today after an official friendship visit to Nicaragua and Cuba.

The delegation led by Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council, were warmly welcomed back at Pochentong Airport by Chea Sim, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, chairman of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland; Hun Sen, Politburo member

of the People's Revolutionary Party of Kampuchea Central Committee, chairman of the Council of Ministers and minister of foreign affairs; Say Phuthang, Politburo member of the PRPK Central Committee, vice president of the State Council and president of its Control Commission; and other high-ranking officials.

Viriato Mora Diaz, R. Khamidulin, Ngo Dien and Pheli Khounlaleuk, Cuban, Soviet, Vietnamese and Lao ambassadors to Kampuchea respectively, were present.

During its stay in Nicaragua from July 15-20, President Heng Samrin was received by Daniel Ortega Saavedra, president of the Republic of Nicaragua and of the national leadership of the Sandinista National Liberation Front, and attended celebrations of the ninth anniversary of the victory of the Nicaraguan revolution (July 19). The Kampuchean delegation held talks with Nicaraguan leaders. Nicaragua conferred its highest distinction for foreigners, the "Augusto Cesar Sandino" order, on President Heng Samrin.

While in Cuba from July 20-28 President Heng Samrin was received by Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba, president of the State Council and of the Council of Ministers; and held talks with Cuban party and state leaders. He was decorated with Cuba's "Jose Marti" order. The Kampuchean leader conferred Kampuchea's "Angkor" order on President Fidel Castro.

On its way home, the high-ranking Kampuchean party and state delegation made a stop-over in Moscow, the Soviet Union.

Khieu Samphan Sends Message to Mugabe
BK1008030588 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian
2315 GMT 9 Aug 88

[Text] On 1 August 1988, His Excellency Vice President Khieu Samphan sent a letter to His Excellency Mugabe in reply to a letter addressed to him by the Zimbabwe Foreign Minister asking the DK to provide its views on a solution to the Cambodian problem within the framework of the Nonaligned Movement. Here is the text of the message:

Your Excellency: First of all, I would like to express my warmest greetings. I would like to thank you for your attention to finding a solution to the Cambodian problem as Zimbabwe Foreign Minister His Excellency Nathan Shamuyarira told me in a letter dated 24 June 1988.

Recently, I was glad to see His Excellency Masiyada, permanent secretary of the Zimbabwe Foreign Ministry in Bogor, Indonesia, and to receive news from you, particularly about the recent meeting in New Delhi of

the Committee of high-ranking officials from five non-aligned countries to discuss the Cambodian problem. We were surprised to note that among the members of this committee were:

1. The SRV, the aggressor who has been occupying Cambodia for nearly 10 years and the originator of the Cambodian problem.

2. Cuba, which fully supports and cooperates with Vietnam in committing aggression against Cambodia. In 1979, Cuba abused its right as host and chairman of the Nonaligned Movement summit in Havana by unilaterally expelling the DK from the Nonaligned Movement and leaving Cambodia's seat vacant despite a strong protest from the majority of members against this decision. Furthermore, Cuba is among a handful of countries which recognize, support, and have all kinds of relations with the Phnom Penh puppet regime propped up by Vietnam.

3. India, the only noncommunist Asian country which actively supports and provides assistance to the SRV in its aggression and occupation of Cambodia and a country which recognizes, maintains all kinds of relations with, and supports the Phnom Penh puppet regime.

In every international forum, Cuba and India play active roles in defending the SRV, the aggressor, and attacking the DK, the victim of aggression. Given these circumstances, one is suspicious of the correctness of the role played by a committee with such a composition in the search for a solution to the Cambodian problem and in demanding that Vietnam pull out all its forces from Cambodia to let Cambodia be independent, sovereign, and nonaligned within its territorial integrity.

As you are aware, the root cause of the Cambodian problem is Vietnam's aggression and occupation of Cambodia, an independent, sovereign, and nonaligned country, and a member of the United Nations. Since 1979, the UN General Assembly has annually adopted by an overwhelming majority of votes resolutions on the Cambodian problem demanding that Vietnam unconditionally withdraw all its troops from Cambodia and let the Cambodian people exercise their right to self-determination to decide their destiny themselves without outside interference.

Apart from this, on 17 March 1986, the CGDK proposed an eight-point peace proposal to resolve the Cambodian problem politically. Recently, on 25 June 1988, the tripartite CGDK put forth another proposal to the SRV to resolve the Cambodian problem politically.

The SRV has rejected the UN General Assembly resolutions and all our proposals. As for the announcement that Vietnam is to unilaterally withdraw its forces from Cambodia, this cannot fool anyone. If Vietnam wanted people to believe this, the withdrawal would be carried out within the framework of an agreement concerning a

comprehensive political solution to the Cambodian problem with a clearly determined pullout program and under international supervision and control.

At the recent informal meeting in Jakarta from 25 to 28 June [as heard] 1988, the CGDK's three parties asked Nguyen Co Thach, deputy prime minister and foreign minister of the SRV, this question: Is the SRV willing to pull out all its forces from Cambodia according to a set timetable under international supervision and control and within the framework of an agreement on a comprehensive political solution to the Cambodian problem? Nguyen Co Thach rejected this question. In acting this way, Nguyen Co Thach clearly showed that the SRV still has the goal of occupying Cambodia and including it in Vietnam's Indochinese federation and continuing Vietnam's expansionist policy in Southeast Asia.

It is very regrettable that since Cuba's unilateral decision in 1979 to expel Democratic Kampuchea from the movement and leave Cambodia's seat vacant, the Nonaligned Movement has been prevented from playing a correct role in the Cambodian problem. Acting in the way that it did, Cuba, on behalf of the Nonaligned Movement, rewarded the aggressor and blamed the victim of aggression. This is in flagrant violation of the nonaligned principles and international law. It also seriously affects the Nonaligned Movement's prestige and sets a very dangerous precedent. We think that the Nonaligned Movement should correct Cuba's unjust act and restore justice by returning Democratic Cambodia's legitimate seat in the Nonaligned Movement to the DK so that the Nonaligned Movement can play a role in resolving the Cambodian problem politically.

This is the deep aspiration of the overwhelming majority of nonaligned countries. This way, the Nonaligned Movement's independent status will be strengthened and kept free from the global strategy of any bloc. Small, medium, and weak countries will also have confidence in and trust the Nonaligned Movement. Furthermore, we are well aware that the Nonaligned Movement is facing a difficult task in realizing this request because Vietnam, Cuba, and India, which call themselves nonaligned countries, are trying to divert the Nonaligned Movement from its original, pure, and noble goals to serve the global strategy of a superpower.

In this situation, our CGDK would like to express gratitude to the overwhelming majority of nonaligned countries which have assisted and defended the legitimate rights of the DK in its status as a rightful member of the United Nations, and voted in support of UN General Assembly resolutions on the Cambodian problem annually since 1979. Through this, they have shown their determination to defend the sacred principles of the Nonaligned Movement.

We would like to express warmest congratulations and profound respect to you for all your efforts based on justice and correctness to try to restore the Nonaligned

Movement into a movement which genuinely does not belong to any bloc and which defends independence, freedom, and dignity.

Please accept our highest consideration.

[Dated] DK, 1 August 1988

[Signed] Khieu Samphan, DK vice president in charge of foreign affairs

Round Up of Vietnamese Soldiers' Desertion
BK1008080788 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 9 Aug 88

["News commentary": "Eighty-Six Vietnamese Aggressor Soldiers Deserted for Home"]

[Excerpt] On 9 July, 12 Vietnamese soldiers deserted for home from Siem Reap provincial town. On 12 and 30 July, 20 Vietnamese soldiers posted in Kompong Tralach district, Kompong Chhnang Province, fled home. On 22 July, 16 Vietnamese soldiers deserted for home from Battambang provincial town. On 7 July and 1 August, 38 Vietnamese soldiers fled home from the Pailin battlefield. [passage omitted]

Actions in Battambang Province Reported
BK1008042988 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 9 Aug 88

[Text] On 5 August, our National Army ambushed and routed the Vietnamese enemy leaving Bar Yakha and Bar Tangsu on the Pailin battlefield [Battambang Province]. We killed 38 on the spot, including a battalion commander, and wounded Vietnamese enemy soldiers, including 2 seriously wounded battalion commanders, for a total of 79 casualties. We destroyed 48 assorted weapons, including 34 AK's, 3 light machine-guns, 4 B-40's, 6 B-41's, a DK 82 gun, and some war materiel. We seized 18 assorted weapons and some war materiel.

On 4 August, we ambushed and destroyed three Vietnamese trucks leaving Anlung Puok for Ta Sanh; one moving from Treng to Chipang; and two others leaving Samlot district office. We killed 14 and wounded 16 Vietnamese enemy soldiers for a total of 30 casualties, and destroyed all the ammunition, rice, and war materiel on these trucks.

Briefs

Red Cross Aid Distribution

In July, the Cambodian Red Cross, in cooperation with state authorities in Kompong Speu Province, directly distributed 50 metric tons of rice, a gift of the World

Food Program, to 400 families in Udong District and 605 families in Thpong District. [Text] *[BK09080715 Phnom Penh Domestic Service in Cambodian 0430 GMT 8 Aug 88]*

Army Recruits in Kandal

In the first half of 1988, 589 youths in Kandal Province volunteered to serve in the army; 398 others volunteered for national defense labor. The provincial youth union also admitted 1,169 new members. [Summary] *[BK09080700 Phnom Penh Domestic Service in Cambodian 0430 GMT 8 Aug 88]*

Laos

Cadres Assist in Holding Provincial Election
BK0908145588 Vientiane Domestic Service in Lao 1200 GMT 9 Aug 88

[Text] Since early this week, the national-level Election Committee began sending its committee members and technical cadres to provide guidance to various provinces throughout the country in making preparations to hold the provincial- and municipal-level elections of people's representatives, which will be held in late October 1988. Since Monday, these committee members and technical cadres have been dispatched to the provinces in the central and southern regions, namely Savannakhet, Saravane, Champassak, Sekong, and Attapeu Provinces. As for Khammouane and Bolikhamxai Provinces and the provinces in the northern region, these officials will be sent there before 15 August.

The national-level Election Committee said that these committee members and technical cadres guiding the provinces mentioned above will distribute and popularize the documents officially issued by the party and state as well as of the national-level Election Committee of People's Representatives. These officials will also attend meetings on the election of people's representatives so as to provide technical advice to the party and administrative committees and the provincial-level Election Committees of the provinces concerned in line with that of the national-level Election Committee. In addition, these committee members and technical cadres also have the duty to cooperate with and encourage the party and administrative committees and the provincial- and municipal-level committees to apply strict measures in making preparations to hold the provincial- and municipal-level elections in accordance with the guidelines set forth by the national-level Election Committee and to consult with the provincial and city municipal committees on organizing propaganda campaigns to encourage the people to understand the significance, objectives, and expectations of the second election of people's representatives at the provincial and municipal levels with a view to promoting democratic freedoms and the people's right to self-determination in electing their own representatives. They are also assigned to cooperate with

the provinces to draw experience from the provincial- and municipal-level elections for the holding of the elections of people's representatives at the central level in the future.

Philippines

Australian Reported Killed by NPA

OW0908131288 Tokyo KYODO in English 1115 GMT
9 Aug 88

[Text] Bacolod, Philippines, Aug. 9 KYODO—An Australian national was killed allegedly by communist New People's Army (NPA) rebels in a town south of this central Philippine provincial capital, a military spokesman said.

Maj. Marcos Ybanez of the Negros Island Command identified the fatality as 42-year-old John William Taylor.

Ybanez, quoting witnesses, said about 30 guerrillas entered the compound of Taylor's house in the village of Carabalan in Himamaylan and fatally shot him Monday night.

The rebels then ransacked the home but Ybanez did not say whether anything was taken as other details of the incident were unavailable.

The military spokesman said Taylor was married to a Filipina, Patricia Trinidad, and had started living in Carabalan, where he raised hogs and poultry since last December. There was no report on the fate of the Australian's wife.

Ybanez speculated that the NPA killed Taylor because he may have been close to the military.

Villages outside Himamaylan have been the scene of many recent skirmishes between the military and the NPA, and last week about 600 people evacuated to the town center after army soldiers allegedly burned their houses.

Taylor's body was brought to a funeral parlor in Bacolod, the capital of Negros Occidental Province, 70 kilometers to the north of Himamaylan.

Australian Embassy officials in Manila were not available for comment.

Panels Speed Up Bases Talks; Hold Two Sessions

HK1008021188 Manila Far East Broadcasting
Company in English 2300 GMT 9 Aug 88

[Text] The two panels reviewing the RP [Republic of the Philippines]-U.S. Military Bases Agreement began to speed up talks yesterday [9 August] in (?full) morning

and afternoon sessions. (Mary Carlin Weeks), spokeswoman for the American panel, announced that Ambassador Nicholas Platt, head of the U.S. negotiators, is scheduled to report to Washington on August 19. Ambassador Leonides Cadday, spokesman for the Philippine panel, said the (?marathon) talks would continue the whole day today. [Words indistinct] declined to speculate on a date of completion. The discussions yesterday continued to explore the economic options within the compensation package as reported in a joint press statement by the two panels.

Bank Chief Favors Debt Swap

HK1008050788 Manila PHILIPPINE DAILY
INQUIRER in English 10 Aug 88 pp 1, 7

[Text] Central Bank Gov. Jose B. Fernandez yesterday said he favors the "debt for bases" swap proposed by Foreign Secretary Raul Manglapus in order to lower the country's \$28.6-billion foreign obligations.

"It is something we could look at. In what form it will take, I don't know. But certainly I would welcome it, Fernandez told a press conference told a press conference at Malacanang.

Manglapus had earlier said the Philippines wants Washington to write off the more than \$1 billion it owes the United States as part of the bases compensation package.

Fernandez said the Central Bank, which oversees the foreign reserves of the country, would be inclined to consider the arrangement depending on the acceptance of the U.S. of such a policy.

Meanwhile, Fernandez said it is impossible at this present time to reduce the 44-percent debt service component of the P228-billion 1989 budget to comply with the President's call for monetary officials to immediately implement a 40 percent debt service ceiling.

"We have to work over a time frame to reduce the claims of debt service on the budget. You have a stock of debt that you have to live with and so you try to work yourself out of that burden over time," he said.

Fernandez said it would be unwise to unilaterally declare a moratorium on foreign debts due to the economic sanctions that may be imposed on the country by foreign creditors like the International Monetary Fund, the World Bank, and the Asian Development Bank.

He said a big portion of the country's foreign debt is owed to friendly governments who are presently lending "additional amounts of new money."

He said the country, would merely "isolate" itself from foreign funding sources if Congress passes a law restricting overseas loan repayments.

Fernandez briefed the President, members of the Cabinet, and selected members of the Senate and House of Representatives on the country's external debt situation.

He said the policy of the Central Bank is to be friendly with creditors and not antagonistic towards them "so we can have continued access to financial markets abroad."

Swede Accused of Aiding 'Rebels' Leaves Country
HK1008041788 Manila Far East Broadcasting Company in English 2300 GMT 9 Aug 88

[Text] The Swede arrested with two others accused of having links with Philippine communist rebels left yesterday [9 August] for West Germany after a prosecutor said he would delay filing subversion charges. A Swedish Embassy official said the departure of Stellan Hermansson for Frankfurt was perfectly legal. [Word indistinct] charges had been filed against him. Hermansson, chairman of the youth branch of the Swedish Communist Party; Klaus Schmidt, a West German Protestant pastor; and Filipino Antonio Bosch had been accused of helping guerrillas kidnap two policemen and attack a town hall in Quezon. The Swede denied the allegations.

USSR Reported Interested in Nickel Project
HK0908095988 Manila PHILIPPINE DAILY INQUIRER in English 9 Aug 88 p 9

[By Margie Quimpo]

[Text] New-found uses and increasing prices of nickel have drawn at least four foreign entities to make inquiries on the idle Nonoc nickel project in Surigao del Norte.

The project is owned by Nonoc Mining and Industrial Corp, a government entity, which can supply at least six percent of the world nickel needs. Nonoc's value, including its nickel refinery, has been estimated at more than \$100 million.

Johnny Araneta, associate executive trustee which is handling disposal of Nonoc, said the government is eyeing three options. These are complete sale of the assets; sale of part of the assets, resulting in a joint venture with the government; and the operation by the government of the asset until it is ready to sell it.

Among the interested parties are firms based in Australia, Canada and the Soviet Union.

A Soviet trade official said that the Soviet group has requested some data on Nonoc for experts to evaluate.

He added that a group of Soviet mining experts are expected to arrive within the year to look over the mine.

"We will say yes or no after we have evaluated the data and the mine," he said.

Sources said the Soviets were very interested in the project but they will have to secure clearance from the Office of the President.

As an APT [Asset Privatization Trust] official pointed out "we have no objections on the Russkies but other government officials will have to approve any negotiations with them."

Araneta also said that a lease-purchase was being considered because of the size of the asset.

The mine is expected to be put on track within the year.

Its attractiveness is that if it becomes operational it has the capacity to produce six percent of the world's nickel production.

Furthermore nickel, which has been discovered to be good for nickel-plating for rustproofing and for use in packaging materials is in demand in the world market today.

The Nonoc assets include the nickel mine (laterite deposits), a refinery, a pyrite mine and a beneficiation plant.

The nickel refinery complex which includes an ore extraction equipment and a nickel refinery with annual capacity of 68.4 million pounds pure refined nickel metal; 6.6 million pounds nickel; and 3.3 million pounds cobalt in mixed sulphides.

Unconfirmed Report on Fishermen Freed

HK1008100788 Manila Manila Broadcasting Company DZRH in Tagalog 0945 GMT 10 Aug 88

[Excerpts] This is Dick Sintiongco reporting from Funeraria Floresca in Malabon. President Corazon Aquino has just arrived here where the body of fisherman Bobby Vijuan is lying in state. The president is presently conveying her condolences to the Vijuan family and relatives of this Filipino fisherman who died in his jail cell in Malaysia. He was one of the 49 Filipino fishermen arrested by the Malaysian Navy for fishing illegally in territorial waters claimed by both the Philippines and Malaysia. [passage omitted]

Based on what we heard here inside Funeraria Floresca, President Aquino reported to the family of Bobby Vijuan as well as to the relatives of other detained fishermen the result of the Malaysian cabinet meeting. We still have to confirm this but according to our source, the 48 Filipino fishermen may be able to return home in 2 to 3 days. This is allegedly the result of the Malaysian Government's decision not to pursue its appeal before the Supreme Court.

The fishermen were earlier acquitted in a lower court in Kota Kinabalu but were not released due to an appeal filed by the prosecution before the Malaysian Supreme Court.

We still have to verify this news with President Aquino herself who is now in Funeraria Floresca, General Luna Street, Malabon. [passage omitted]

We had expected Foreign Affairs Secretary Manglapus here but he is absent. The president personally relayed the good news to the families of the 48 Filipino fishermen.

Teehankee Confirmed as Chief of Mission to UN
HK1008082588 Manila Radio Veritas in Tagalog
0700 GMT 10 Aug 88

[Text] The Commission on Appointments has confirmed the nomination of former Supreme Court Justice Claudio Teehankee as the country's chief of mission to the United Nations, taking the place of Ambassador Rafael Salas, who died. In this morning's deliberations, only Congressman Jose Cabochan abstained, because he believes that Teehankee has no experience in the job.

[Begin Salonga recording in English] Those who are in favor of confirming Honorable Claudio Teehankee as chief of Mission I, please raise your right hand. Those who are against. Those who abstain.

Honorable Claudio Teehankee is confirmed as chief of mission. [end recording]

It will be recalled that the Antigraft League of the Philippines had requested the Senate not to confirm Teehankee's nomination as chief of mission to the United Nations because he could have been involved in anomalous transactions.

Aquino To Support Citizens Against Officials
HK1008021788 Manila Far East Broadcasting
Company in English 2300 GMT 9 Aug 88

[Text] President Corazon Aquino has vowed full support for concerned citizens' groups which come forward with hard evidence against erring government and military officials. The president made this comment to a group of concerned citizens from Zamboanga City who reported to her on the deteriorating peace-and-order situation in their area and the complicity of military personnel there. As long as the president gets the full details of the problem and the people are not afraid to come forward and testify before her, she always moves decisively and with dispatch. She said that the group also informed her of the alleged involvement of Philippine Constabulary elements based in Zamboanga City in acts of criminality like harassment, extortion, and kidnapping.

Orders Crackdown on Grafters
HK1008054988 Quezon City Radyo ng Bayan
in Tagalog 0400 GMT 10 Aug 88

[Text] President Aquino has ordered Ombudsman Conrado Vasquez to identify and arrest big-time grafters in government. Vasquez was summoned to Malacanang

yesterday by the President to report on charges of graft which have been brought against certain high government officials. The president also ordered Vasquez to submit an updated list of pending criminal cases involving certain government officials. According to Vasquez, President Aquino expressed exasperation over delays in investigations and trials of big-time grafters in government.

NPA Release of Soldiers 'Propaganda Victory'
HK1008044588 Manila MANILA BULLETIN
in English 10 Aug 88 p 6

[From column by Jesus Begornia: "Quezon NPA Wins Propaganda War on Hostages"]

[Text] Having squeezed the last column-inch of propaganda mileage from the prisoner-swap melodrama, communist-led rebels were earlier this week ready to release five captured soldiers. The captives are to be freed with no strings attached. In the final act of giving Army Lieuts. Abraham Casis, Oscar Singson, Clarito Santos and Rommel Salamanca, and Constabulary Sgt. John Jacob their freedom, the captors pulled off a propaganda victory that will not be soon forgotten in the hinterland communities around Mt. Banahaw in Quezon and Laguna.

From the moment of capture at a rebel "checkpoint" to the announcement of the rebel command decision to release the captives, the rebels went into a propaganda blitz scoring one unanswered coup after another. Judging from their appearance when first shown to print and broadcast media, the captives were apparently treated well. By drawing in government officials, not of the army, into the talks, the rebels succeeded in investing the negotiations with an official nature. By scaling down demands from release of government-held rebel leaders to a pledge their comrades will be accorded thorough medical attention, they have created in the minds of the naive hinterland population a new rebel image considerate of comrades' welfare.

It must be admitted here that there are any number of considerations, acknowledged and unacknowledged, that promoted the Mt. Banahaw rebel command to allow early release of the prisoners. First and foremost, they could hamper rebel movement in the event that the military resumes its anti-insurgency campaign. Five months in mountain redoubts reached by slim lines of communications and supplies are one too mouths to feed. [sentence as published] They will soon become a drag to their captors (since the rebels may not execute the prisoners without provoking a nationwide uproar the soldiers must have to be released at the first opportunity).

Ramos Seeks More Penalties for Aiding Guerrillas
HK1008042988 Manila PHILIPPINE DAILY
GLOBE in English 10 Aug 88 pp 1,6

[Text] Defense Secretary Fidel Ramos acknowledged yesterday that the channeling of funds from foreign

sources to communist rebels has aggravated the insurgency problem. He asked the Senate to enact laws increasing penalties for persons who help the rebels.

In a four-hour closed-door meeting of the Senate committee on national defense and security, Ramos and top military officials led by AFP [Armed Forces of the Philippines] vice chief of staff Lt. Gen. Antonio Sotelo said the outlawed National Democratic Front (NDF) has received P100 million from local sources and P50 million from its fraternal organizations in Europe and the United States.

Ramos also informed the committee that the New People's Army, the military arm of the banned Communist Party of the Philippines [CPP], has increased its guerrilla forces to 25,800 by the end of first semester of this year, from 25,200 last year.

But Ramos said rebel influence appeared to have waned since the CPP-NPA now exerts influence over 7,808 barangays or 17 percent of the country's 45,000 barangays. This represents a decrease from the nearly 20-percent level by end-1987.

Briefing reporters after the meeting, Sen. Ernesto Maceda, committee chairman, said the senators who attended the meeting appeared amenable to increase the penalties for person who would contribute directly or indirectly to the rebel coffers.

Maceda said the "progressive taxation" by the NDF-CPP-NPA and the channeling of foreign funding now appeared to be "the most pressing problem" confronting the government.

Maceda said the Senate is now focusing on this issue, since it acknowledges the fact that the CPP-NPA derives its strength from the logistical support it could generate locally or abroad.

From his field trips to the military camps nationwide, Maceda said he would place at P400 to P900 million the "progressive taxes" the CPP-NPA collects every year.

He said the rebels now collect bigger taxes because of the need to maintain larger guerrilla units of up to battalion size. "This needs larger logistical support," he said.

Maceda also said defense and military officials also admitted the NPA's capability to launch battalion-size operations in some parts of the country.

For this reason the government must zero in on the rebels sources of logistical support to stop the insurgents' growth. "The NPA is strong because they have money," he said.

Maceda said defense and military officials informed them that the rebels got its "progressive taxes" from logging and fishpond operators. They informed the committee that a certain non-government organization got fresh funds of about P60 million from abroad.

Maceda quoted the military officials as saying it was possible that about rechanneled by some church groups to rebel forces. "But it is not correct to say that these church groups are NDF fronts," he said.

NPA Claims Increase of Force, Tax Collection

HK0908093588 Manila Manila Broadcasting Company
DZRH in Tagalog 08700 GMT 9 Aug 88

[Text] The NPA claimed that it has around 25,800 members. Reports also claim that as the NPA's revolutionary rank and file continue to increase, so is its revolutionary taxation. It was reported that the NPA was collecting around 900 million pesos in progressive taxes each year from businessmen, farmers, fishermen, and from other sectors around the country. Aside from this, the NPA allegedly received \$50 million from various nongovernmental organizations from Europe. This was confirmed by Defense Secretary Fidel Ramos during the hearing of the Senate Committee on National Defense and Security today.

Meanwhile, a Senate reporter asked Ramos if there was a possibility for another coup d'etat, this month August being the month when a coup d'etat was launched in 1987.

[Begin Ramos recording in English in progress] ...on plotting coups, I think that is more a thing of the past now. The capabilities of the renegade soldiers have been greatly reduced. And I think we should downplay this because it is, probably, all in their minds now. However, if they have any capability at all it is to conduct hit and run terroristic tricks or hits on various targets including some installations. It will not be like the incident that was toppled last August 1987. [passage indistinct] [end recording]

Insurgents Said Resorting to Robbery for Funds

HK1008045788 Manila PHILIPPINE DAILY
GLOBE in English 10 Aug 88 p 3

[Text] Communist rebels were involved in at least 141 robberies and holdups in the country during the first seven months of this year, Maj. Gen. Ramon Montano, PC-INP chief, said yesterday.

Montano said most of the robberies were committed in Western Visayas, Central Visayas and Bicol Region.

No robbery or holdup was attributed to the communists in Cagayan Valley, Northern Mindanao, Central Mindanao and Metro Manila, Montano said.

The number of robberies and holdups committed by the communist rebels, Montano observed, indicates that the underground movement is fast losing the support of the people in the countryside, who now resist the rebels' imposition of so-called progressive taxes.

The rebels' progressive taxes, Montano said, "is actually another term for extortion."

"If communist terrorists are now forced to engage in robberies and holdups, it means that the military and the police have been effective in providing security to the people, who now refuses to give support to the rebels voluntarily," Montano said.

Among the notable robberies committed by the rebels during the year, Montano said, were the holdup of the Philippine National Oil Co. office in Sorsogon in March and the robbery at the Magnolia Poultry Farm in Tiaong, Quezon, on June 1.

"As proof that the rebels need everything that they could lay their hands on, they even took away newly hatched chicks from the Magnolia Poultry Farm," Montano added.

He said the sustained military operations in the countryside against communist rebels have forced the insurgents to break into "small, roving armed bands who have to live off the people and the land."

Truce Extended in Quezon; Policeman Killed

HK0908113788 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 9 Aug 88

[From "GMA News" program]

[Text] The NPA will finally release its five soldier hostages in Mount Banahaw, Quezon Province this Sunday. After this announcement was made, the military agreed to extend the cease-fire in six towns at the foot of the mountain for 5 more days. The full report from Jessica Soho:

[Begin recording] [Soho] The cease-fire or suspension of military offensives in Quezon was extended for another 5 days after the NPA command announced last night the release of five soldier hostages on Sunday.

Southern Luzon Command chief Brigadier General Alejandro Galido announced the cease-fire extension in a conference of military commanders in Camp Nakar, Lucena this morning.

[Galido in English] True to our commitment to save human lives, and upon the request of the civilian negotiating panel, we are further extending the suspension of operations of all military units for another 5 days.

[Soho] The cease-fire also covers four more towns in Quezon, namely: Mauban, Sampaloc, Atimonan, and Pagbilao. This is in addition to six towns in Mount Banahaw. The purpose is to pave the way for the expected release of five hostages held by the rebels as was announced by the group led by Comrade Roger after their latest round of talks with civilian negotiators at dawn today.

[Comrade Roger] We will release the five prisoners of war on Sunday. The details will be revealed later and will be conveyed to the other panel.

[Soho] Meanwhile, the rebels turned down a proposal to use government helicopters to fetch the five hostages from their detention site.

[Unidentified male in English] Because the hostages are not in this immediate area, they have to be transported from one place to the staging area, and it would be difficult. For security reason, they could not accept our offer of the use of government facilities, helicopters and overland transport. They would prefer to do it their way.

[Soho] The military also gave the rebels a 36-hour grace period to start from the time of the release of the hostages. After that, the military is expected to resume counterinsurgency operations in Quezon. [end recording]

In related development, 10 CHDF members were successfully rescued from their NPA captors in Cagayan de Oro. Government troops raided the town of Linabo and engaged the rebels in a 2-hour gunbattle. Seven NPAs were reportedly killed before the rebels were forced to flee. The CHDF hostages were found tied up inside a house.

Meanwhile, one more policeman was killed earlier today and the assassins are believed to be NPA Sparrows. The victim was identified as Technical Sergeant Cipriano Gumanday of the Navotas police.

Witnesses claimed that Gumanday was fixing the wheels of his jeep when suddenly approached by three young men. He was shot in close range with a .45 caliber pistol and died on the spot.

Ramos Shrugs Off Adverse Publicity, New Coups

HK1008094988 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 10 Aug 88

[Italics denote passages in English]

[Text] It is up to President Aquino to decide whether to keep me in office or not. This was Defense Secretary Fidel Ramos' response when asked about reports that certain sectors notably groups in Malacanang are plotting to have him removed from the Department of National Defense.

He was also asked his views about adverse publicity against him. Ramos replied that if he was to take note of all such publicity, then he would have no time to attend to the piles of work before him.

Here is Ramos in an interview with defense reporters this afternoon:

[Begin recording] [Ramos] Perhaps we should leave it to the president and the people to boot out Ramos. *The president took me here, I suppose, because that is her decision. That is her plan for me personally, and I think that should be up to her. It is a matter of confidence.*

[Unidentified male reporter] Have you not initiated any investigations to find out who is behind this adverse publicity against you?

[Ramos] If I am to worry about all this adverse publicity, I do not think I can accomplish my duties here. *I cannot attend to my work anymore. Not that there are so many of them, but I think some of them are really far-fetched and based on speculations, based on fantasies, based on fabrications. So I just lay my record on the table, and let my performance be the yardstick for any action that the President may want to make.*

[Male reporter] Sir, what do you think is the reason behind the endless spate of adverse publicity against you?

[Ramos] You know that *we are still in a transition period.* Perhaps maybe because I am sitting here in the Department of National Defense, and in the past, this was the center, this was perhaps the center of those opposed to the Aquino government, *maybe they would like to reoccupy this building and this seat. Well, let them try.* [Ramos laughs]

[Male reporter] Sir, are there any rightist attempts to attack our government?

[Ramos] We have made an assessment during the last 3 months. Their capabilities have been drastically reduced, and even if they should have any plans or intentions to create trouble or to grab power *in order to establish a military and civilian junta, or a military junta, or any combination of that, the probability of their becoming successful has been so greatly diminished, compared to what it was 1 year ago or 6 months ago.* It is a good thing that I mentioned this because the anniversary of the 28 August 1987 failed coup is fast approaching.

[Male reporter] Sir, do you smell any new attempts from their side?

[Ramos] I do not smell anything, only you. You are the only one near me. [laughter] [end recording]

Thailand

New Cabinet Ministers Appointed, Viewed

Nameslist of Chatchai Cabinet

BK0908125988 Bangkok Domestic Service in Thai
1200 GMT 9 Aug 88

[Text] Royal Signature: Phumiphon Adunyadet, Rex

His Majesty King Phumiphon Adunyadet has graciously ordered that it be proclaimed that:

With reference to his appointment of Major General Chatchai Chunhawan as prime minister, under the proclamation dated 4 August 1988, Prime Minister Major General Chatchai Chunhawan has completed the selection of appropriate persons to hold cabinet posts to administer the affairs of the country, his majesty hereby graciously appoints cabinet ministers under Article 146 of the Constitution of the Kingdom of Thailand as follows:

Phong Sarasin as deputy prime minister
Phichai Rattakun as deputy prime minister
General Thianchai Sirisamphan as deputy prime minister
Michai Ruchuphan as minister attached to the Prime Minister's Office
Bun-ua Prasetsuwan as minister attached to the Prime Minister's Office
Kon Thappharangsi as minister attached to the Prime Minister's Office
Anuwat Watthanaphongsiri as minister attached to the Prime Minister's Office
Chaisiri Ruangkanaset as minister attached to the Prime Minister's Office
Suphattra Matsadit as minister attached to the Prime Minister's Office
Colonel Phon Roengprasotwit as minister attached to the Prime Minister's Office
Police Captain Chaloe Yubamrung as minister attached to the Prime Minister's Office
Major General Chatchai Chunhawan as defense minister
Pramuan Saphawasu as finance minister
Suchon Champhunot as deputy finance minister
Niphon Phromphan as deputy finance minister
Air Chief Marshal Sitthi Sawetsila as foreign minister
Second Lieutenant Praphat Limpaphan as deputy foreign minister
Lieutenant Colonel Sanan Khachonprasat as agriculture and cooperatives minister
Charoen Khanthawong as deputy agriculture and cooperatives minister
Udomsak Thangthong as deputy agriculture and cooperatives minister
Udon Tantisunthon as deputy agriculture and cooperatives minister
Montri Phongphanit as communications minister
Nikhom Saencharoen as deputy communications minister

Prathuan Rommayanon as deputy communications minister
Anek Thapsuwan as deputy communications minister
Subin Pinkhayon as commerce minister
Phinya Chuaiphot as deputy commerce minister
Chuchip Hansawat as deputy commerce minister
Major General Praman Adireksan as interior minister
Sano Thianthong as deputy interior minister
Santi Chaiwirattana as deputy interior minister
Trairong Suwannakhiri as deputy interior minister
Wattana Atsawahem as deputy interior minister
Police Lieutenant General Chamrat Mangkhalarat as justice minister
Prachuap Chaiyasan as science, technology, and energy minister
General Mana Rattanakoset as education minister
Sakun Siphrom as deputy education minister
Mai Sirinawakun as deputy education minister
Chuan Likphai as public health minister
Suthat Ngoenmun as deputy public health minister
Prasong Buranaphong as deputy public health minister
Banhan Sirlapa-acha as industry minister
Dusit Anukhasiri as deputy industry minister
Phaithun Kacothong as deputy industry minister
Thawit Klinprathum as minister of state university bureau

This announcement takes effect immediately.

Announced on 9 August 1988, being the 43d year of the reign of the present king.

Countersigned: Major General Chatchai Chunhawan, prime minister

Paper Reports on Cabinet Members

BK1008014588 Bangkok BANGKOK POST in English
10 Aug 88 pp 1, 2

[Excerpts] Prime Minister-designate Chatchai Chunhawan yesterday unveiled his 45-member Cabinet, comprised largely of wealthy businessmen, professional politicians and retired military officers, and pledged his Government would "perform its duty with honesty".

Maj-Gen Chatchai will lead the Cabinet in an oath-taking ceremony before His Majesty the King today at 4.30 p.m.

The country's new Cabinet lineup, including 19 first-time ministers, contains 12 businessmen and eight retired military officers.

Democrat spokeswoman Suphattra Matsadit—now PM's Office Minister—is the only woman named to the new Cabinet, while Michai Ruchuphan, a noted legal expert in the Prem V administration, is the only non-elected minister.

Nineteen ministers from the Prem V Government remain in the new Cabinet, but only nine retain their former posts. [passage omitted]

The new Cabinet was announced after Maj-Gen Chatchai's Cabinet list was approved by the King.

The only major surprise in the line-up was the omission of Chat Thai's former Deputy Finance Minister Praphat Phosuthon, who had been tipped to retain his post because the party lacked qualified members for the portfolio.

Unlike the Prem V Cabinet, in which there were six PM's office ministers, the new line-up consists of eight, with the inclusion of Anuwat Watthanaphongsiri, originally expected to be justice minister.

Observers described the new Cabinet as being faced with an image problem because of the inclusion of members who have either been embroiled in controversy or have a wealth of connections outside Parliament.

Deputy Interior Minister Wattana Atsawahem has been accused of being linked to a gambling casino in his house on Pattanakan Road that was raided by former police chief Gen Narong Mahanon.

Mr Wattana at the time denied any knowledge of the casino because he only rented the house and did not occupy it.

Industry Minister Banhan came under considerable press criticism for his handling of the Communications Ministry prior to the election.

Deputy Communications Minister Nikhom Saenchaoen is related to and was backed in the election by influential Chon Buri figure Somchai Khunplum, better known as "Kamnan Po".

Anticipating criticism of the line-up, PM's Office Minister Kon said on Monday:

"It is strange that, when we are giving the people the election they desire, there is all this talk about the Government not being able to last long and of the Cabinet Ministers being of disappointing qualification.

"What can the Prime Minister do other than appoint the people who have been voted by their constituents to be their representatives to govern them and who have then been selected by their parties to serve the Cabinet?" he said.

Maj-Gen Chatchai said after the list was announced that the new Cabinet shows the Government is "more democratic since most of the members are elected MPs and therefore closer to the people".

He said he was confident all coalition parties would be able to work closely together.

The Prime Minister-designate said it has been a long time since an elected MP headed the Government, adding that he would do his best in the position.

"We are moving forwards, not backwards," he said.

Maj-Gen Chatchai said he told His Majesty the King that his Government "would perform its duty with honesty", and added that the administration's first task would be to speed up income distribution to rural areas and promote wage increases.

He said he expects the Government's policies to be announced in Parliament near the end of the month. He said the policies would be a continuation of those initiated during the Prem V administration.

Democrat negotiator Banyat Banthaththan yesterday said the new Government's policies are expected to be announced before August 25, and added that copies would be presented to all MPs for consideration about three days in advance.

Mr Banyat said he expects draft copies to be completed by August 16 or 17.

Maj-Gen Chatchai said each ministry would set its own schedule for outgoing ministers to hand over their work to their successors.

He said Gen Prem Tinsulanon would officially hand over the reins of Government to him tomorrow at 10.00 a.m. at Government House.

Maj-Gen Chatchai said the official Government spokesman would be an elected MP from one of the four major coalition partners.

The remaining three would act as deputy spokesmen, he said.

Editorial Discusses New Cabinet

BK1008004588 Bangkok THE NATION in English
10 Aug 88 p 8

[Editorial: "Welcome to a Formidable Test"]

[Text] Our congratulations to the new Cabinet—although we must admit we are far from impressed by the line-up announced last night. But if we were to believe in the "system" rather than personalities, the change is a welcome shift, no matter how skeptical critics may feel—no matter how fragile the new setup appears to be.

Reactions from various sectors were understandably mixed. Some openly questioned the competence of certain Cabinet members. Others have cast doubts over the

integrity of some of the ministers. But, most of us are more than ready to give the new effort a chance. Jumping to conclusions may be an easy—and even dangerous—game, although the temptations are strong to cast the first stone. To be fair, we are ready to give the new team the benefit of the doubt.

The new government's policy to be presented to the House of Representatives will not be completed until later this month. But already during the past few days, there have been a flurry of activity between the government and private sector to discuss the shape and substance of the new government's policy regarding economic, political and foreign policy directions. And that, if anything, is a positive sign. Prime Minister Chatchai Chunhawan, a shrewd and experienced politician who is known to have few enemies, has shown that he can quickly get down to broadening his support base. As a starter, his consensus-seeking exercise has been impressive. The substance to emerge from this exercise is another matter.

Like it or not, the new Chat Thai-led coalition government has been seen to lean heavily on the business side. There is nothing wrong with business—as long as it is pursued as part of economic development—and not serving only vested interest groups. No doubt, the main concern from certain quarters is that the change in governments may weaken the momentum of the economic boom which has placed Thailand in a very favourable spot in the eyes of the world.

It is vital that the new government continues to ride on the tide of this boom and that foreign investments will continue to flow in—as long as they benefit the country. But any good government cannot lose sight of the fact that the economic upswing will not only benefit the big businesses and the well-to-do. How the distribution of wealth could be effectively implemented down to the rural areas remains a serious issue that must be tackled head-on.

This government must try even harder so that the poor will benefit from new economic prosperity. After all, the majority of the Cabinet members are elected MPs who are supposed to know where hardship lies at the grass roots.

The new government must realize that it has an "image" problem from the very beginning. And a number of critics have been betting on just how long it will last. The challenge is formidable but not altogether insurmountable. Not a small number of senior technocrats with well-known track records have already expressed their reservations about what they perceive to be a trying time for those without partisan connections once the new coalition government takes over. It should come as no surprise that many of the best technocrats now feel insecure. Perhaps, they have been used to the old way for

far too long—and the “new democratic way” may not be the kind of working environment they feel comfortable in. They, too, have to adjust—if they are serious about “serving the nation.”

But the technocrats' fears aren't totally unfounded. Politicians now in power under the new scheme of things must prove that they will not throw their weight around, placing partisan interests over merits and competence.

The new government has its strong advocates, too. Many believe that whether or not we like the composition of the new Cabinet line-up, it is the duty of all concerned citizens to try to “help this new government survive”—not that they have any special affinity for the new Cabinet members. But if a popularly-elected House and elected MPs can't “make it work”—the democratic system will suffer a major setback and, no doubt, many a pressure group inclined towards changing the rules of the game for their own selfish benefits will have an excuse to resort to undesirable acts.

The new government deserves a chance. The new Cabinet members will have to bend over backwards to prove that they possess the necessary determination, competence and integrity to get the work done. Or else, they will not only be betraying the voters—but will also be undermining the very system we all aspire to see installed.

Good luck to all the new Cabinet members. You need it—and more.

Paper on Cabinet Earning Trust

BK1008011588 Bangkok BANGKOK POST in English
10 Aug 88 p 6

[Editorial: “New Cabinet Now Has To Earn Trust”]

[Text] Twelve years have passed since we last had a Cabinet led by an elected prime minister. Now, with the sole exception of Michai Ruchuphan—an outsider recruited to join the Cabinet because of his legal expertise—the make-up consists of elected representatives.

In political terms this is a remarkable achievement. We can proudly claim that we have taken a meaningful democratic step forward and now have a true government of the people and by the people. It only remains to be seen whether it will be a government that truly and honestly serves the interests of the people.

Unfortunately it has to be said that a close scrutiny of some of the names appearing in the new Cabinet list does not inspire an excess of confidence. Judging by their past performance, certain new Cabinet members appear to fall short of the rigorously high standards the public has a right to expect of them. This raises the question of just how much hope it is realistic to place in the new administration.

Although an idealistic form of government, democracy has its own imperfections. These were clearly manifested in July 24 general election in which money played a crucial role in the polls. As a consequence, many candidates with the money to throw around, and with sufficient influence, got themselves elected as our representatives, regardless of poor qualifications and a dubious background. For an organisation to operate effectively and efficiently, it is essential that the right men be put into the right jobs. This also applies to a government in ensuring smooth and effective operations.

It is unclear just how much priority was given to competence in the criteria used to select our new Cabinet ministers. What is clear is that those with seniority and many wealthy benefactors of political parties have found a niche in the Cabinet. But, after all, this is how democracy works in this country and such observations should only come as a shock to the naive.

The new government under the leadership of Prime Minister Chatchai Chunhawan will have to overcome a wealth of suspicions and pessimistic predictions to show that it can function as competently as its predecessor and guide this country and its people towards sustained progress and prosperity. And such progress can only be achieved if all the ministers concerned forsake self and party interests and place the national interest above all else.

We asked for an elected government with an elected prime minister and this is what we have got. Through the election, we have given our honourable MPs the mandate and our trust. It is, therefore, their obligation to make sure that this trust is not betrayed.

Chawalit on Military as ‘Government’s Tool’

BK0908101588 Bangkok THE NATION in English
9 Aug 88 Afternoon Edition pp 1, 2

[Text] Army Chief Gen Chawalit Yongchaiyut, in a visit by top-brass military and police officers, told the prime minister this morning they expect him to avoid the past mistake of drawing permanent officials into politics.

Calling Chatchai Chunhawan his “elder brother”, Chawalit said the military wants to be the government's “tool” for national security and prosperity.

He said Thai politics, now featuring an elected leader, are at a turning point. In the past, elected premiers were prone to “appeasing the military overly” or trying to influence them, Chawalit said.

“I believe we can be straightforward with you as our respectable older brother. All of us here disagree with such past practices,” he said, adding they are prepared to back the new coalition government.

Chawalit, also acting supreme commander, congratulated the new premier and, following a speech, handed him a bouquet on behalf of the delegation, including Armed Forces Chief of Staff Gen Sunthon Khongsomphong, Deputy Army Commander in Chief Gen Wanchai Ruangtrakun, Air Force Commander in Chief ACM [Air Chief Marshall] Woranat Aphichari, Navy Commander in Chief Adm Praphat Kritsanachan and Police Director General Pol Gen Phao Sarasin.

Responding to the address, the premier said he never appeased permanent officials because "soldiers have been trained to love one another like brothers."

"Cavalry soldiers in particular are taught to stay in the rank and file. A good horse will not desert the others. We will run together," Chatchai said.

He said he has been extremely careful not to bring the armed forces into politics. "I am proud that the military were strictly neutral in the election. When the military is non-political, then everything will be on the right path," he said.

Chatchai reaffirmed that he would modernize the forces with sophisticated weapons.

Chatchai later met the senior officers behind closed doors in his reception room for 20 minutes. Later, Chawalit told reporters that he supported Chatchai's desire to name his former colleague Assistant Army Chief of Staff Gen Panya Singsakda as his secretary-general. Chawalit said he would allow Panya to resign after Panya took stock of his work and found a successor.

Everyone supports Chatchai, said Chawalit. "He was not only elected to the House and picked by MPs as prime minister, but he also has the blessing of Gen Prem Tinsulanon. I heard that with my ears."

Planned Strategy in U.S. Trade Talks Adopted
BK1008025588 Bangkok Domestic Service in English
0000 GMT 10 Aug 88

[Text] A committee for solving trade problems between Thailand and the United States has decided to adopt an offensive strategy in talks with the United States. The decision was made early this week during the first meeting of the committee on the likely effects of the U.S. trade bill on Thailand. The meeting, chaired by Permanent Secretary for Commerce Phot Itsarasena, was designed to assess the situation and to work out what attitude [they] should adopt toward the bill. The committee agreed to bring up the matter at the GATT Uruguay Round. According to Mr Phot, Thailand will also have to explain to the United States certain policies to avoid any misunderstanding.

Paper Views U.S. Relations, Greet New Envoy

BK1008093288 Bangkok MATICHON in Thai
9 Aug 88 p 8

[Editorial: "A Look at U.S.-Thai Relations; a Welcome to the New Ambassador"]

[Text] The new U.S. Ambassador to Thailand, Daniel O'Donohue, has arrived to take up his new post concurrently with the change of government in Thailand. Although General Prem Tinsulanon will be replaced by Major General Chatchai Chunhawan as the new government leader, there will be no big change in Thailand's policies. The new government will pursue a liberal economic policy and continue to adopt a pro-Western stance—although this may be to a somewhat lessened degree.

Previous Thai governments are known for their pro-Western policy, especially of tailing after the United States in the conduct of foreign policy. Whatever the case, as time has passed and the political atmosphere has changed, the Thai government may no longer follow the U.S. lead in foreign policy and may adopt different stands from those of the United States. An example of this is Thailand's vote against the U.S. bombing of Libya.

During the term of office of the outgoing U.S. ambassador, Thailand and the United States experienced the highest number of cases of friction, both at the governmental level as well as between the government and the private sector. This is not the mistake of Ambassador William A. Brown or of any particular person. There have been a great number of problems between Thailand and the United States in the recent past, especially trade problems.

U.S.-Thai conflicts ranged from trade problems involving steel pipes, tuna products, textiles, soybeans, and cigarettes, to copyright and patent law—the issue which has shaken the government stability and resulted in Parliament dissolution. A trump card held by the United States in its bargaining with Thailand is a threat to cut GSP or trade privileges to Thailand. This conflict of interest has been dormant for the time being waiting for the new government to be formed, and it will surge to the surface again.

We can be certain that, if the Democratic Party wins the presidential election in November, the U.S. trade war against other countries would become more intense. This is because the Democratic Party breathes a policy of protecting U.S. trade interest in order to offset the decline of U.S. wealth and greatness.

The United States has been forced to adopt budget cuts on unnecessary spending and to have its European allies and Japan take over U.S. military expenses in those countries. With its declining wealth and growing deficits, the United States is compelled to take measures to

redress its trade imbalance, and hence the copyright and patent protection, and the introduction of a new trade bill to protect U.S. interests. This is what the world should understand about the United States.

Concerning U.S.-Thai frictions, in addition to trade problems we also have a dispute involving Thailand and a private U.S. organization over the stolen Sleeping Vishnu Lintel. It seems that the negotiations for the return of the priceless artifact will end up in disappointment for the Thai people. Of course, U.S.-Thai relations will remain as close as ever, but it will take on a new feature. Tailing after the United States will become a thing of the past.

PRC Envoy Calls on New Premier Chatchai
*BK0908110088 Bangkok ZHONG HUA RIBAO
in Chinese 9 Aug 88 p 4*

[Text] PRC Ambassador to Thailand Zhang Dewei, accompanied by Embassy Secretary Guan Mu, called on newly appointed Prime Minister Major General Chatchai Chunhawan at Government House at about 1000 yesterday to pass on greeting messages from several Chinese leaders.

After the meeting, Ambassador Zhang told this newspaper's correspondent that the greeting messages he had conveyed to Major Chatchai were, among others, those from Chinese Prime Minister Li Peng and Vice President Wang Zhen. Asked what issues were discussed, Ambassador Zhang said that the talks revolved around friendly relations.

At the invitation of the Thai Government, Prime Minister Li Peng is due to pay an official visit to Thailand in mid-November this year.

Sitthi Discusses Policy Toward Indochina
*BK1008013588 Bangkok BANGKOK POST in English
10 Aug 88 p 2*

[Text] The Kampuchean problem must be resolved before Thailand can have an open and free trade with Indochinese countries, Foreign Minister Sitthi Sawetsila said yesterday.

The Social Action Party leader quickly pointed out that he did not mean to challenge Prime Minister-designate Chatchai Chunhawan's recent statement that Indochina should be Thailand's market rather than a battleground.

ACM [Air Chief Marshal] Sitthi conceded that relations with Thailand's neighbours will have to be improved steadily. However, he said, only when foreign forces are withdrawn from Kampuchea, peace restored and an agreement reached among superpowers for the reconstruction of Kampuchea that Thailand will find a huge market in Indochina "not only for cigarettes or liquor, but construction materials."

"These will happen when we have normalised our relations with Vietnam," said ACM Sitthi, adding that he hoped that within the next two years the Kampuchean problem would be resolved and the situation in the region would improve considerably.

ACM Sitthi said he is as optimistic as Prince Norodom Sihanouk, who recently announced that he would celebrate his 67th birthday in Phnom Penh next year.

ACM Sitthi asserted that Thailand's foreign policy under the new administration will remain basically unchanged, but will be more flexible and occasionally modified to cope with changing circumstances with national interest as a priority.

The Foreign Ministry, he said, will continue to maintain regular consultation with the military and the National Security Council to ensure the same line of foreign policy.

Especially with neighbouring countries, he said, economic and political relations will be modified in order to promote understanding for the sake of mutual existence.

The public, he noted, will be occasionally informed of the foreign policy, its modification—if any—and its progress in order to avert any misunderstanding as was in the case of the Copyright Bill.

ACM Sitthi said the Foreign Ministry will continue to expand trade relations with all countries regardless of their different economic, political and social systems.

With the Soviet Union, ACM Sitthi said, the Foreign Ministry will pursue balance of interests policy. He noted that trade with the Soviet Union is too small and should be expanded.

Special emphasis will be given to Japan, he said, adding that Japan will be the target market for Thai agricultural products.

Vietnam

UN Representative on PRC Station on Spratly
*BK0908162788 Hanoi VNA in English 1525 GMT
9 Aug 88*

[Text] Hanoi VNA August 9—According to the Chinese newspaper "PEOPLE'S DAILY" and Radio Beijing, China on August 2 inaugurated an oceanographic observation station on a reef in the Truong Sa [Spratly] Archipelago, which it claimed, was set up at the request of UNESCO.

On August 5, Ambassador Ha Huy Tam, Vietnamese permanent representative to UNESCO, met with the deputy assistant to the general director of UNESCO, to clear the matter.

The deputy assistant to the general director of UNESCO said that UNESCO only made proposals for scientific research to its member countries, but never requested any member country to install a research station at any specific place. China abused UNESCO when it claimed that it set up the station at UNESCO's request, he said.

Further on Sihanouk's Remarks on Cambodia

*BK0908115288 Hanoi Domestic Service in Vietnamese
1000 GMT 9 Aug 88*

[From the Daily Press Review]

[Text] All papers report that speaking in Thailand on 7 August, Prince Sihanouk disclosed to the press that the CGDK be dissolved and that Cambodia's UN seat be left vacant. Mr Sihanouk also said that his troops would no longer oppose the PRK Government and that he would set up a bipartite coalition with Mr Hun Sen, if necessary.

Heng Samrin Stops Over at Hanoi Airport

*BK0908121488 Hanoi Domestic Service in Vietnamese
1100 GMT 9 Aug 88*

[Text] On 9 August, on his way home after successfully concluding his official visits to Cuba and Nicaragua, Comrade Heng Samrin, general secretary of the KPRP Central Committee, chairman of the PRK Council of State, and head of the high-level Cambodian party and state Delegation, made a stopover at the Noi Bai International Airport.

On hand to receive and see Comrade Heng Samrin off at the airport were Comrade Le Duc Anh, member of the CPV Central Committee Political Bureau and minister of national defense; Comrade Dinh Nho Liem, member of the party Central Committee and acting minister of

foreign affairs; and Comrade Phan Dinh Vinh, deputy head of the party Central Committee Foreign Relations Department. Also present was Comrade Tep Hen, PRK ambassador extraordinary and plenipotentiary to Vietnam.

NHAN DAN Cited on Southern Africa, Gulf Peace

*BK1008092888 Hanoi VNA in English 0735 GMT
10 Aug 88*

[Text] Hanoi VNA August 10—The national daily NHAN DAN today commentarily acclaims the good news from southern Africa and the Middle East.

The paper says:

"Although the process of talks is still in progress and facing difficulties, what has been achieved is quite inspiring because it serves as a prelude to overall political solutions to the problems in Southern Africa and the Middle-East, hence bringing an end to the bloody conflicts and peace and stability to those two turbulent parts of the world.

"In order to bring back real peace and stability to Southern Africa and the Middle-East, the peoples in both regions should continue to surmount many obstacles caused by reactionary forces. However, it can be said that this is an important development in the situation of the two regions which are rich in natural resources but burning with military and political tensions".

"It shows once again that all bilateral or multilateral disputes and differences in various parts of the world nowadays can be settled by negotiations. No doubt, peace, independence and peaceful development instead of confrontation is prevailing as the new inevitable trend of our time".

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